

seashore recreational area in the State of North Carolina;

H. R. 3046. An act for the relief of Thomas A. Butler;

H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;

H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;

H. R. 3580. An act to authorize municipalities and public utility districts in the Territory of Alaska to issue revenue bonds for public-works purposes;

H. R. 3603. An act to provide for the sale of surplus war-built vessels, and for other purposes;

H. R. 3614. An act to ratify and confirm act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;

H. R. 3657. An act to ratify and confirm act 32 of the Session Laws of Hawaii, 1945;

H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;

H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y." approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado;

H. R. 4932. An act to amend section 9 of the Boulder Canyon Project Act, approved December 21, 1928; and

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Friday, March 1, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

The Committee on the Post Office and Post Roads will hold hearings on Friday, March 1, 1946, at 10 a. m., on H. R. 5059, a bill to provide temporary additional compensation for postmasters and employees of the postal service.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, on Friday, March 1, 1946, at 10 a. m., in open session, in the committee room 356, Old House Office Building.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 4 of the Committee on the Judiciary has scheduled a hearing for Monday, March 4, 1946, with respect to the extension of the Second War Powers Act, 1942, as amended. The hearing will begin at 10 a. m., and will

be held in room 346, House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Federal Trade Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Monday, March 4, 1946.

Business to be considered: Continuation of public hearings on H. R. 2390, a bill to amend the Federal Trade Commission Act. Opposition witnesses will be heard.

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, March 7, 1946.

Business to be considered: To commence hearings on the bill S. 191, an act to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public-health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. BOYKIN: Committee on Patents submits a supplemental report on H. R. 5311, a bill to amend Revised Statutes, 4921 (U. S. C. A., title 35, Patents, sec. 70), providing that damages be ascertained on the basis of compensation for infringement (Rept. No. 1587, pt. 2). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. O'BRIEN of Michigan:

H. R. 5622. A bill to increase the compensation of postmasters, officers, and employees in the postal service; to the Committee on the Post Office and Post Roads.

By Mr. HENDRICKS:

H. R. 5623. A bill to amend the act entitled "An act defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes," approved June 16, 1938; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 5624. A bill to provide that the pension, compensation, or retirement pay of World War I and World War II veterans shall not be reduced during hospitalization or receipt of institutional or domiciliary care; to the Committee on World War Veterans' Legislation.

By Mr. MAY:

H. R. 5625. A bill to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase of 20 percent, and for other purposes; to the Committee on Military Affairs.

H. R. 5626. A bill to authorize the Veterans' Administration to appoint and employ retired officers without affecting their retired status, and for other purposes; to the Committee on Military Affairs.

By Mr. PIÑERO:

H. R. 5627. A bill to amend section 5 of the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

By Mr. PRIEST:

H. R. 5628. A bill to amend the Public Health Service Act to authorize grants to the

States for surveying their hospitals and public health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction; to the Committee on Interstate and Foreign Commerce.

By Mr. McDONOUGH:

H. R. 5629. A bill to assure to all persons within the District of Columbia full and equal privileges of places of public accommodation, resort, entertainment, and amusement, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAYS:

H. R. 5630. A bill to amend section 5155 of the Revised Statutes with respect to the establishment of branches by national banking associations; to the Committee on Banking and Currency.

By Mr. VINSON:

H. Con. Res. 130. Concurrent resolution creating a joint committee to consider joint recommendations of the Secretary of War and the Secretary of the Navy with respect to increases authorized for flying pay, parachute pay, glider pay, submarine pay, and similar special pay and allowances; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENDER:

H. R. 5631. A bill for the relief of Joseph John Gmurczyk, Jr.; to the Committee on Military Affairs.

By Mr. MARCANTONIO:

H. R. 5632. A bill for the relief of Yesdore Andrew Belbo; to the Committee on Immigration and Naturalization.

H. R. 5633. A bill for the relief of Frank Collaci; to the Committee on Immigration and Naturalization.

By Mr. MILLER of California:

H. R. 5634. A bill for the relief of Mrs. Masuyo (Marjorie) Sudo Cromley; to the Committee on Immigration and Naturalization.

By Mr. PFEIFER:

H. R. 5635. A bill for the relief of Marguerite Lante; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1657. By Mr. ARNOLD: Petition of constituents in Jameson, Mo., urging support of the Poage bill, House bill 1742; to the Committee on Interstate and Foreign Commerce.

1658. By Mr. GOODWIN: Resolution of the Board of Aldermen of the City of Medford, Mass., for action to release surplus building materials for construction of veterans' homes; to the Committee on Banking and Currency.

SENATE

FRIDAY, MARCH 1, 1946

(Legislative day of Friday, January 18, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, whose love for Thy children reacheth to the ends of the earth, in the golden glory of a new dawn as the cur-

tain of darkness is folded back, Thou grantest us the high privilege of faring forth to be laborers together with Thee in the coronation of goodness, as Thy kingdom comes. We wait for Thy benediction that we may face whatever the day brings in the gladness of Thy guidance, in the glory of Thy service, and in the solemn realization that we are, indeed, our brother's keeper.

As leaders of the Nation in these tempestuous days, give us kind hearts, clear thought, and quiet faith; and among ourselves and in our dealing with all the peoples of the world, in nations great and small, may we be so transparently just and fair that falsehood and every evil that shuns the light may be banished by the truth which makes men free. Amen.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, February 27, 1946, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On February 28, 1946:

- S. 400. An act for the relief of Elisabeth Andersen;
- S. 543. An act for the relief of Felix Frederickson;
- S. 683. An act for the relief of Mrs. Marie Nepple, as executrix of the estate of Earl W. Nepple, deceased, and Mrs. Marie Nepple, individually;
- S. 1084. An act for the relief of John C. May and Eva Jenkins May;
- S. 1126. An act for the relief of Alice A. Murphy;
- S. 1131. An act for the relief of Jess Hudson;
- S. 1400. An act for the relief of Robert R. Rowe, Jr.;
- S. 1423. An act for the relief of Charles L. Phillips; and
- S. 1588. An act for the relief of Mrs. Lona Wilson.

On March 1, 1946:

- S. 323. An act for the relief of Thomas F. Gray.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1354) to authorize the permanent appointment in the grades of General of the Army, Fleet Admiral of the United States Navy, and General in the Marine Corps, respectively, of certain individuals who have served in such grades during the Second World War, with amendments in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4571) to amend the First War Powers Act, 1941.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws.

The message also announced that the House had passed a bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1129) for the relief of Willie H. Johnson, and it was signed by the President pro tempore.

FOREIGN LOAN POLICY OF THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Banking and Currency.

(For message this day received, see proceedings of the House of Representatives on p. 1828.)

LAWS OF FIRST CONGRESS OF THE PHILIPPINES

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs.

(For message this day received, see proceedings of the House of Representatives on p. 1827.)

RESOLUTION OF CUBAN SENATE RELATING TO THE ARGENTINE PEOPLE

The PRESIDENT pro tempore. The Chair lays before the Senate a letter from the Secretary of State, transmitting a resolution of the Senate of the Republic of Cuba relating to the Argentine people.

Mr. GEORGE. Mr. President, the communication from the presiding officer of the Senate of the Republic of Cuba, dated October 9, 1945, was originally directed to the President of the United States and incorporated a resolution of the Senate of the Republic of Cuba concerning the Argentine people. I ask unanimous consent that the letter from the Secretary of State, together with the resolution of the Senate of the Republic of Cuba just laid before the Senate by the President pro tempore, be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,

Washington, February 26, 1946.

The Honorable KENNETH McKELLAR,
President pro tempore of the Senate.

MY DEAR SENATOR McKELLAR: I transmit herewith, for such action as you may deem appropriate, two copies in translation of a communication to the Presiding Officer of the United States Senate from the office of the presiding officer of the Senate of the Republic of Cuba, dated October 9, 1945. This

communication, which was originally directed to the President of the United States, incorporates a resolution of the Senate of the Republic of Cuba concerning the Argentine people.

Sincerely yours,

JAMES F. BYRNES.

[Enclosures: Two copies of communication from office of presiding officer of senate of Republic of Cuba to the Presiding Officer of United States Senate concerning Argentine people.]

[Translation]

REPUBLIC OF CUBA,
OFFICE OF THE PRESIDING
OFFICER OF THE SENATE,
Habana, October 9, 1945.

The PRESIDING OFFICER OF THE UNITED STATES SENATE.

HONORABLE SIR: The Senate of the Republic of Cuba, in a session held on this date, approved the motion which, copied literally, states the following:

"America, before being a reality, was a dream, a spiritual necessity of the Old World which had a presentiment of its existence before coming to know it. For centuries it was a chimera and a legend, until destiny, inspired by the immortal Genovese who discovered it, created a recognized geographic region.

"Its very appearance caused two contradictory sentiments to flourish in the hearts of men: In some, eagerness for adventures and riches, impelled by egotism and ambition; in others, in those who, in remote places of the world, suffered under the inexorable lash of despotism and intransigence, it was a land of promise and of hopes. The first conquered, colonized, oppressed. The second were, in truth, the great builders of towns in America. For these latter, the unknown and recently discovered region would be a refuge for liberty.

"That was America to be, the same for the Pilgrims of the *Mayflower* as for the millions of beings who, throughout four and a half centuries, have arrived upon its noble shores. Impregnable bulwark of freedom of conscience, cradle of republican hopes—that was, is, and shall be our America, in the still forceful dream of Bolivar.

"A centuries-old tradition of liberty and democracy, the forging of which cost torrents of blood and the sacrifice of the lives of the most illustrious sons of the continent, from Hidalgo and Morelos to our [own] Maceo and Marti, serves as a guaranty that government of the people, by the people, and for the people shall be maintained in America for an example to all the nations of the earth.

"And every time that tyranny oppressed any of these peoples, free consciences would arise to combat it until they succeeded in exterminating it.

"Those are our blazons; and they constitute the greatest, the most legitimate and reasonable of our sources of pride.

"Public international law prohibits nations from interfering in the internal problems of other nations; and that postulate was consecrated in 1933 in the Pan-American Conference at Montevideo; but over and above that principle of public international law are the sentiments shared in common by the peoples of this hemisphere, which also determine common opinions, common sorrows, and common attitudes.

"The nature of American solidarity is such that these countries have never felt themselves isolated, nor have they solved their problems alone. All of us were and are obligated to give each other moral or material collaboration in our vicissitudes.

"Liberty in America had four centers of radiation. Two in North America, the United States and Mexico, personified in Washington and Morelos. Two in South America, Venezuela and Argentina, personified by Bolivar and San Martin.

"These latter two centers of radiation, running from the Plata to Chile and from there to Peru, and from Venezuela to New Granada and to Quito, drew their amazing vitality from the blinding flash of Ayacucho.

"Our own liberty, to which we had such well-earned right, was culminated with the powerful final effort of North America. There is, then, nothing strange in the fact that the grief of one American country is the grief of the whole continent. Today the native land of San Martin, who liberated Chile and Peru, is suffering the horrors of a ravenous tyranny. Having subjected the Argentine people to a despotic regime, it first forced them into an absurd and inconceivable position of isolation in the great war conflict now happily ended; and now, when they are struggling valiantly and determinedly to throw off tyranny, it is subjecting them to the greatest injustices and cruelties.

"The principle of nonintervention, which prevents nations from taking any material and compelling action to combat the oppression which the republic on the Plata now suffers, can be no obstacle to prevent the people of Argentina from being reached by our voice of solidarity and new inspiration, bringing with it the spiritual strength which all the moral forces of the free countries of America proffer them.

"For all these reasons,

"The Senate of the Republic resolves:

"First. To send to the Argentine people a spiritual message of complete unity in the name of the people of Cuba, in these times of struggle and of sacrifice; and our prayers that they may succeed, by the strong and decided attitude which they have assumed, in regaining the free exercise of the democratic life, to which they have so much right, by virtue of their sentiments and their history.

"Second. The Senate of the Republic, in the name of the Cuban people, most energetically condemns the acts of repression practiced by the tyrannical government under which Argentina suffers, and especially the outrages committed against the universities and centers of education of the sister Republic and by virtue of which the professors and student bodies, representing Argentine youth, were victims of official violence and terror.

"Third. To send copies of this message to all legislative bodies of the American Republics, to the end that they may know the thought of the Cuban Senate, which expresses that of our people, in complete unity in the noble and valiant struggle which the Argentine people are carrying on."

I have the honor to communicate the above to you, in compliance with part three of the afore-mentioned motion, availing myself of this opportunity to renew to you the assurance of my highest consideration, and remain,

Very truly yours,

[SEAL] EDUARDO SUAREZ RIVAS,
Presiding Officer of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 27, 1946, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 136) changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

XCII—114

REPORT OF NAVY CLUB OF UNITED STATES OF AMERICA

A letter from the national commandant of the Navy Club of the United States, Rockford, Ill., transmitting, pursuant to law, a report of the proceedings and activities of the club and a statement of its receipts and expenditures from January 1, 1945, through December 31, 1945 (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following petitions, etc., which were referred as indicated:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Assembly Joint Resolution 3

"Joint resolution relative to memorializing Congress to enact S. 1592, to establish a national housing policy and to provide for its execution

"Whereas there is now pending in the Senate of the United States S. 1592, known as the Wagner-Ellender-Taft housing bill, to establish a national housing policy and to provide for its execution; and

"Whereas it appears that this legislation, if enacted, will provide aid to local planning; will improve existing aid to privately financed housing; will enable private enterprise to serve families of lower income; will make possible direct private investment in housing for families of moderate income; will make possible direct private investment in the development or redevelopment of slum and other areas in local communities; will further aid local communities in slum clearance and low-rent housing; will provide for the effective disposition of federally owned war housing, with preference to families of servicemen and veterans; and will set forth and make effective a sound national policy with respect to residential housing, to the benefit of the general health, welfare, and security, and for the encouragement of private enterprise in this important field; and

"Whereas the objectives thus sought to be accomplished are highly to be desired: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That Congress is respectfully memorialized to enact S. 1592 (79th Cong., 1st sess.) and to do so with the utmost expedition in the interests of the general health and welfare of the people and of the communities in which they reside; and be it further

"Resolved, That the chief clerk is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Indian Affairs:

"Assembly Joint Resolution 14

"Joint resolution relative to certain bills concerning California Indians pending in the Congress of the United States

"Whereas certain bills have been introduced in the House of Representatives of the Congress of the United States by the Honorable ELLIS E. PATTERSON, Representative from California, and are now pending therein, being designated Nos. H. R. 3604, H. R. 3605, and H. R. 3606; and

"Whereas said bills contain provisions affecting the rights of certain tribes and bands of Indians within the State of California with respect to Indian lands and claims against the United States; and

"Whereas it is reported that said bills, if enacted into law without amendment, may not be entirely adequate to protect the rights of the Indians of California and to provide complete compensation for their claims for lands taken by the United States; and

"Whereas the Legislature of California, by Joint Resolution 41 (1945 Statutes of California, ch. 132), filed June 10, 1945, brought to the attention of the Congress the manifest injustice to the Indians of California which has resulted from the enactment of the California Indians' Jurisdictional Act of 1928 (45 Stat. 602), as amended April 29, 1930 (46 Stat. 259), and the attention of the Congress is respectfully directed to said resolutions: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to withhold any action on bills Nos. H. R. 3604, H. R. 3605, and H. R. 3606 relative to the Indians of California, until the Congress and an interim committee of said legislature have investigated fully all of the facts pertaining thereto, including the effect such bills would have if enacted, upon the rights of California Indians.

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States, and to the respective chairman of the Indian Affairs Committees of the Senate and the House of Representatives."

A resolution adopted by the City Council of the City of Woodbury, N. J., favoring the enactment of legislation to grant immunity and exemption to the States and their political subdivisions or any agency thereof from the provisions of the Emergency Price Control Act; to the Committee on Banking and Currency.

A letter in the nature of a petition from Mrs. Frederick Roth, of Philadelphia, Pa., relating to legislation providing for an adequate peacetime army, etc.; to the Committee on Military Affairs.

Petitions from several citizens of Brooklyn and New York City, N. Y., praying for the enactment of legislation increasing the salaries of postal employees; to the Committee on Post Offices and Post Roads.

Resolutions adopted by the Kansas City Branch, Railway Mail Association, of Kansas City, Mo., and the St. Paul Branch of the Railway Mail Association, of St. Paul, Minn., favoring the enactment of legislation to restore the air-mail field and terminal clerks to their former grades, and certain other legislation beneficial to railway-mail clerks; to the Committee on Post Offices and Post Roads.

UNIVERSAL MILITARY TRAINING—STATEMENT OF WALTER JOHNSON

Mr. LINGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD, a statement by Walter Johnson, of Heathsville, Va., chairman of the national legislative committee of the Military Order of the Liberty Bell before the Committee on Military Affairs, House of Representatives, Washington, D. C., on the subject of universal military training.

There being no objection, the statement was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Mr. Chairman and gentlemen of the Committee on Military Affairs, my name is Walter Johnson and I reside at Heathsville in Virginia. I appear before you to set forth the views of the Military Order of the Liberty Bell on the proposed universal military training bill.

Our organization was formed on December 7, 1942. Eligibility to membership covers all men with honorable service. Thus we are all men who have served honorably and faithfully in the armed forces of our country. We are men of all faiths, races, and creeds. We are not war veterans as such though most of us have served through a war or two. Predominantly we are men of the Regular Establishment as distinguished from men who have served temporarily through a war period. I served as an enlisted man in the Navy from the First World War until 1930 when I was dropped for disability. Some of our members are older men; men who served on the plains as far back as shortly after the War Between the States.

At our last national convention we considered the problem of universal military service. We discussed it quite thoroughly. Then we voted in opposition to it. We did so for several reasons.

We do not believe that the alien concept of forced training has any place in our country. Whereas in time of war we do draft the youth of this land and the draft has worked quite well in war because in time of war a national emergency is involved and men are more willing to fight for their country. In time of peace such conditions do not prevail. A man who does not like the service is unhappy and discontented and a drag. He cannot be forced to like the service by being forced into it.

At this time the people are thinking in terms of war. It might be that they would tolerate forced service. But as time goes on and they get away from thoughts of war they will surely put a stop to forced service because it is against every concept of freedom and because of the heavy costs involved in training the entire youth of the land. When that time comes, as it surely must come, then would come repeal of forced service and at a time when the people would be in a mood not to carry the costs of a large military establishment. As a result we could expect to go from one extreme to the other. To go back to a half-starved and poorly paid Army and Navy as we have done after every other war. It would be far better at this time to adopt a more moderate program such as could be sustained through the years to come.

As I have said we always, after every war, have gone back to an extreme condition of half starving our services to death. Within the memory of all of us are the conditions which prevailed between these last two wars. Pay was cut to the very bone. Promotion became stagnant. Appropriations were so low that aviation, above all things, was allowed to stagnate to a great extent in the matter of development.

In 1862 pension rates for line of duty death or disability were established and were amended in 1883. Following World War I

these rates were increased for war-period casualties but the Regulars were left at the 1883 rates until 1933 when, under the Economy Act, substantial reductions were made. From 1933 to 1939 pension rates for line of duty death or disability for the Regulars was 45 percent of the rates for the war-period casualties and in 1939 the rates were raised to 75 percent where they now are. Enlisted men of the Regular Establishment were never granted disability retirement on the same basis as the officers.

During those years pay in the services was \$21 per month for a private, as compared with \$30 per month for a CCC boy. Of course, the CCC boy had dependents, but so did the soldiers. Not only was the CCC boy paid much higher but protection against line-of-duty death or disability was at a much higher rate than that which applied to the soldiers. So we were raising a generation of youth, the youth we would have to look to in time of war, to look down with scorn at the economic status of the soldier because it was so much lower than the relief rates.

Those were the conditions which preceded this war and which the public state of mind permitted. This writer tried to ease those conditions. I tried to improve the lot of the soldier in the Regular Establishment as well as that of the sick and maimed of the Regular Establishment. During the 1934-37 period I worked and I talked and I wrote. But I was a Government employee. I was silenced. I was investigated and harassed for month after month, and finally found guilty, without hearing, of "seeking legislation." I spoke the same words later spoken by President Roosevelt and then by President Truman. The Civil Service Commission had, by rule, prohibited employees from petitioning their Government under color of prohibiting the "seeking of legislation."

That is now water over the dam. I recite it, not in complaint but as showing the conditions which can and do arise when there is no immediate threat of war and as showing why it is now essential that a sound and practicable program be adopted which can be sustained through the years. Any program which would require that the people be held under a constant war scare in order to sustain the program would be a mistake.

We believe that a voluntary program of training is the answer to the problem of national defense. We believe that far better results can be had by leading youth than by driving them.

We would suggest a program of training which invites youth and which places something ahead of them to work for. Let training programs be worked out. Invite boys to accept the training for a year. From those who have had that training select the appointees to the Military and Naval and Coast Guard Academies. Secondly, select from it young men to be sent off to school and college to train for the staff such as doctors, dentists, engineers, and other specialists. Then take off a third layer to be sent to trade schools to train as artificers for the services. In a fourth layer take off the young men wanting to enter upon careers as enlisted men to start as privates or as second-class seamen. Let the balance return to civilian life.

Such a program would, of course, require that Members of Congress give up their present appointments to the Academies. But that sacrifice ought not to be too hard, considering the sacrifice youth would be called upon to make.

In conclusion, let me say that while other veterans' organizations urge universal training we oppose it. Yet, as men with long service, we fully recognize the need for adequate national defense. We stand as strongly for national defense as does anyone. We differ only as to the method. We urge that youth be led instead of driven.

We believe that voluntary training is far superior; that it is far superior as a national policy over forced training; and that as a program it can be maintained and sustained because it is moderate and reasonable and in accord with our way of life.

Thank you, gentlemen.

BALD HILL RESERVOIR ON SHEYENNE RIVER, N. DAK.—RESOLUTION OF BARNES COUNTY (N. DAK.) BOARD OF COUNTY COMMISSIONERS

Mr. LINGER. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Board of County Commissioners of Barnes County, N. Dak., favoring an appropriation by the Congress for the construction of Bald Hill Reservoir on the Sheyenne River, N. Dak.

There being no objection, the resolution was received, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas flood control, water conservation, and stream-flow regulation in the basin of the Sheyenne River, N. Dak., and in the Red River of the North Basin, of which it is the principal western tributary, are more important and necessary now, and will be even more so in the immediate future than when the proposed project for improving the same was recently justified, and approved by the Congress: Be it

Resolved by the Board of County Commissioners of Barnes County, N. Dak., That the Committee on Appropriations of the United States Senate be, and it is hereby, requested and urged to recommend adequate funds in the War Department, civil functions appropriation bill for 1947, for the construction of the project for the Bald Hill Reservoir on the Sheyenne River, N. Dak., substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 193, Seventy-eighth Congress, second session, as authorized in the Flood Control Act of 1944; and be it further

Resolved, That this resolution be forwarded to the Honorable KENNETH McKELLAR, acting chairman, Senate Committee on Appropriations, and that copies thereof be sent to Senators WILLIAM LINGER and MILTON R. YOUNG, of North Dakota, and to Senators HENRIK SHIPSTEAD and JOSEPH H. BALL, of Minnesota.

Dated this 8th day of February 1946.

BOARD OF COUNTY COMMISSIONERS,
BARNES COUNTY, N. DAK.

By PHILIP J. SAUER,

Chairman of the Board of County Commissioners, Barnes County,
N. Dak.

Attest:

C. T. BECHTLE,
County Auditor, Barnes County, N. Dak.

REPORT OF COMMITTEE ON PRINTING

Mr. HAYDEN, from the Committee on Printing, to which was referred the bill (S. 1679) to authorize additional compensation for work performed on a legal holiday by employees of the Government Printing Office, reported it without amendment and submitted a report (No. 1010) thereon.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of February 1946 from the chairman of the Committee on Public Lands and Surveys, in response to Senate Resolution

319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

SENATE COMMITTEE ON PUBLIC LANDS AND SURVEYS

FEBRUARY 28, 1946.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of February, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944. (See attached memorandum.)

CARL A. HATCH,

Chairman.

By STEWART A. HATCH,

Clerk.

To Senator CARL A. HATCH,
Chairman, Senate Committee on Public Lands and Surveys.

From SENATOR PAT MCCARRAN,
Chairman, Subcommittee To Investigate the Administration and Use of Public Lands.

The following persons are detailed from the Department of Agriculture to assist with the work of the above subcommittee:

E. S. Haskell, senior administrative officer, Forest Service, CAF-12; basic salary, \$5,000 per year.

Elizabeth Heckman, clerk, CAF-5, basic salary, \$2,000 per year.

NOTICE OF HEARING ON THE POSITION OF THE INDEPENDENT COMPANY IN THE PETROLEUM INDUSTRY BEFORE SPECIAL COMMITTEE INVESTIGATING PETROLEUM RESOURCES (PT. 2 OF REPT. NO. 179)

Mr. O'MAHONEY. Mr. President, from the Special Committee Investigating Petroleum Resources, I ask unanimous consent to submit, pursuant to Senate Resolution 36, Seventy-ninth Congress, extending Senate Resolution 253, Seventy-eighth Congress, a report relating to the position of the independent company in the petroleum industry. I request that the report may be printed in the RECORD.

There being no objection, the report was received and ordered to be printed in the RECORD, as follows:

THE POSITION OF THE INDEPENDENT COMPANY IN THE PETROLEUM INDUSTRY

The study of petroleum resources in the United States in relation to the national welfare, which was initiated under Senate Resolution 253 of the Seventy-eighth Congress and continued under Senate Resolution 36 of the Seventy-ninth Congress, will enter its final phase on March 19, 1946, when the position of the independent company will be presented to the committee at an open public hearing in the caucus room of the Senate Office Building at 10:30 a. m.

On April 7, 1945, the Senate Special Committee Investigating Petroleum Resources announced a hearings agenda, which included the following subjects:

1. Cartels in relation to petroleum in world trade.
2. New sources of petroleum in the United States.
3. The independent company.
4. Postwar disposal of pipe lines, refineries, and tankers.
5. Petroleum requirements in the United States.
6. American petroleum interests in foreign countries.

All of these subjects, with the exception of that dealing with the position of the independent company, have been developed at carefully prepared public hearings. The study began with the presentation of the cartel problem, in cooperation with a subcommittee of the Committee on the Judiciary, on May 17, 1945. The other hearings were held as follows:

New sources of petroleum in the United States, June 19 through June 25, 1945.

American petroleum interests in foreign countries, June 27 and 28, 1945.

Petroleum requirements in the United States, October 3 and 4, 1945.

Postwar disposal of pipe lines, refineries, and tankers, November 15, 16, and 17, 1945.

A review of PAW wartime petroleum policy, November 28, 29, and 30, 1945.

The objective of the hearings to begin on March 19, 1946, will be primarily to determine whether or not the position of the independent company in the petroleum industry has been improved or injured as a result of the war and, what recommendations, if any, the Special Committee Investigating Petroleum Resources should make with respect to Government policy. An over-all question will be the outlook for competition in the production, refining, and marketing of oil and its derivatives. This will include the relationship of the independent to the integrated companies, and the extent to which the independent may depend upon supplies of petroleum or petroleum products. It will also include the effect upon competition of Government policy during the war.

The opportunity will be afforded to the independent operator in every branch of the industry to analyze facts and opinion from the point of view of the independent. Special preparation has been made for these hearings by the Independent Petroleum Association of America, the president of which, Mr. B. A. Hardey, is also acting as chairman of a special industry committee on the independent company.

There is listed below an outline of the subjects and a list of the witnesses who have been asked by the Independent Petroleum Association of America to appear:

Opening statement: B. A. Hardey, president, Independent Petroleum Association of America, and chairman of the committee, on the independent company.

History and character of the independent oil producer: Russell B. Brown, general counsel, Independent Petroleum Association of America, Washington, D. C.

The production of oil and gas: O. C. Bailey, Bailey & Trimble, El Dorado, Ark.; (a) second recovery, D. T. Andrus, immediate past president, Pennsylvania Grade Crude Oil Association, Bradford, Pa.; (b) the conservation of stripper wells, H. M. McClure, president, National Stripper Well Association, Alma, Mich.

Taxes: Charles R. Bell, controller, Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla.

Costs and price of oil: Merle Becker, vice president, W. C. McBride, Inc., St. Louis, Mo.

Imports: Wirt Franklin, past president, Independent Petroleum Association of America, Ardmore, Okla.

The independent company in the refining of oil: Fayette B. Dow, National Petroleum Association, Western Petroleum Refiners Association, Washington, D. C.

Summary: H. B. Fell, executive vice president, Independent Petroleum Association of America, Ardmore, Okla.

Requests for an opportunity to participate in the hearings have been received from many other representatives of the independent petroleum operator. A list of these persons follows:

Mr. Fred W. Herlihy, president, National Oil Marketers Association, Orangeburg, S. C.

Mr. H. L. Thatcher, chairman, National Council of Independent Petroleum Associations, Chattanooga, Tenn.

Mr. Clyde G. Morrill, secretary, Atlantic Coast Oil Conference, Inc., New York City, N. Y.

Mr. James L. Beatty, Indianapolis, Ind.
Mr. E. M. Callis, president, Petrol Corp., Philadelphia, Pa.

Mr. Robert A. Warfel, executive secretary, Ohio Petroleum Marketers Association, Inc., Columbus, Ohio.

Mr. Louis M. Faber, executive secretary, Retail Gasoline Dealers Association of Milwaukee, Inc., Milwaukee, Wis.

Mr. Angus G. Wynne, president, Pacific War Emergency Pipelines, Inc., Dallas, Tex.

Mr. E. C. Bratt, Sterling Stations, Inc., Fitchburg, Mass.

The hearing will be open to all, but in order to facilitate the orderly presentation of evidence, the committee has requested every person who desires to appear to prepare and submit a statement in advance so that this committee hearing, like those which have preceded it, may be conducted upon a basis of open discussion rather than on the basis of reading prepared statements. By the presentation of written statements in advance, the members of the committee will be enabled to participate more fully in the discussion of the subjects involved than would otherwise be the case. This method also makes it possible to expedite the presentation of evidence, saving the time of both the members of the committee and the witnesses.

All persons who desire to appear should immediately notify the chairman of the committee in writing. Attention is called to the fact that Government agencies, the functions of which have to do with the petroleum industry in any of its branches, are being invited to participate in this hearing as in all of the preceding hearings. The object is to develop as well rounded a presentation of the petroleum problem as possible.

The announcement of these hearings has been delayed pending the return to the United States of Senator TOM CONNALLY, of Texas, and Senator ARTHUR H. VANDENBERG, of Michigan, members of this committee, who, since early in January, have been in attendance at a meeting of the General Assembly of the United Nations Organization.

These hearings will reveal the present and future position of the independent, particularly in the relationship to the integrated company and the Government. The evidence already taken by the committee shows that a high degree of managerial authority was exercised by the Government over every phase of the petroleum industry during the war. What effect the withdrawal of these controls will have upon the independent company and what effect will follow also from new international arrangements, will doubtless be the subject of much discussion at the hearings.

It is the aim of the committee to close the hearings by the 22d of March 1946.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. GREEN (for himself and Mr. LUCAS) introduced Senate bill 1876, to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, 77th Cong., as amended, which was referred to the Committee on Privileges and Elections, and appears under a separate heading.)

(Mr. GEORGE introduced Senate bill 1877, to amend par. 8 of pt. VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of \$1,500,000 as a revolving fund in lieu of \$500,000 now authorized, which was referred to the Committee on

Finance, and appears under a separate heading.)

By Mr. MAYBANK:

S. 1378. A bill to revive and reenact the act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Pee Dee River, at or near Cashua Ferry, S. C., approved April 30, 1940; to the Committee on Commerce.

By Mr. WILEY:

S. 1879. A bill to authorize the attendance of the Marine Band at the national convention of the United States Spanish War Veterans to be held in Milwaukee, Wis., August 4 to 10, inclusive, 1946; to the Committee on Naval Affairs.

By Mr. WALSH:

S. 1880. A bill for the relief of the Crosby Yacht Building & Storage Co., Inc.; to the Committee on Claims.

(Mr. O'MAHONEY (for himself and Mr. HAYDEN) introduced Senate bill 1881, to provide for the flow of revenues from Federal reclamation projects into miscellaneous receipts of the Treasury and to provide that revenues from Federal reclamation projects hereafter financed wholly from general funds of the Treasury shall be covered into miscellaneous receipts of the Treasury, which was referred to the Committee on Irrigation and Reclamation, and appears under a separate heading.)

(Mr. LANGER introduced Senate bill 1882, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1883, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bills 1884 and 1885, which were referred to the Committee on Agriculture and Forestry, and appear under separate headings.)

(Mr. LANGER also introduced Senate bill 1886, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1887, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1888, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1889, which was referred to the Committee on Post Offices and Post Roads, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1890, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1891, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1892, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. WALSH:

S. J. Res. 144. Joint resolution establishing a national shrine commission to formulate plans for the construction of a permanent memorial building to the memory of the Veterans of the Civil War, both North and South; to the Committee on the Library.

AMENDMENT OF SERVICEMEN'S ABSENTEE VOTING LAW

Mr. GREEN. Mr. President, for myself and the Senator from Illinois [Mr. LUCAS], I ask unanimous consent to introduce a bill to amend the soldier vote law by eliminating absentee voting by Federal ballot and continuing voting by State absentee ballot under State procedures.

The bill retains many of the provisions in the present law relating to voting by State absentee ballots, but includes practical modifications founded on operations of the agencies charged with administration of servicemen voting in 1944 elections. By this bill the benefits of free postage in the United States mails, including air mail, are granted to official postcards, State absentee ballots, ballot envelopes, and instructions for voting used in connection with absentee voting by the persons covered by the bill. These persons are members of the armed forces, members of the merchant marine and civilians outside the United States officially attached to and serving with the armed forces of the United States.

The first portion of the bill is devoted to recommendations to the several States as to legislative and administrative improvements in order that they may provide servicemen, members of the merchant marine, and the "attached civilians" a maximum opportunity to use State absentee voting procedures. Succeeding portions set forth the responsibilities, to the extent practicable and compatible with military operations, of certain designated Federal agencies in cooperating with the States in the operation of State procedure. These include the printing of postcard applications for State absentee ballots, making these cards available to the absentee voters, making available information received from the secretary of state of the several States relating to elections, attesting and administering oaths required in applying for and voting by State ballot, and transmitting postcards and ballots to and from the persons to whom the bill is applicable. Insofar as practicable and compatible with military operations, ballots executed overseas are to be returned by air, as provided by the present law.

The bill retains the existing law's safeguards as to secrecy of the ballot, freedom from coercion, and the prohibition against taking polls of members of the armed forces.

With the abolition of the Federal ballot, the United States War Ballot Commission established by the existing law is also terminated, because its functions were primarily concerned with the Federal ballot. The Secretary of War and the Secretary of the Navy are made responsible for cooperating with the States insofar as members of the armed forces and the "attached civilians" overseas are concerned, but the Secretary of the Treasury is made responsible for the Coast Guard and civilians overseas officially attached to and serving with the Coast Guard. The Administrator of the War Shipping Administration is charged with administration for the members of the merchant marine. Each of these agencies may delegate its functions to one or more of the other agencies, with the latter's consent. The Postmaster General whose duties relate to transmission of material has also been specifically required by the bill to cooperate with the States.

I trust the bill may receive early consideration and action. I ask that it be referred to the Committee on Privileges and Elections.

The PRESIDENT pro tempore. Without objection, the bill will be received and referred as requested by the Senator from Rhode Island.

The bill (S. 1876) to facilitate voting by members of the armed forces and certain others absent from the place of their residence, and to amend Public Law 712, Seventy-seventh Congress, as amended, was read twice by its title and referred to the Committee on Privileges and Elections.

REVOLVING FUND FOR VETERANS' ADMINISTRATION

Mr. GEORGE. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend paragraph 8 of part VII, Veterans' Regulation No. 1 (a), as amended, to authorize an appropriation of \$1,500,000 as a revolving fund in lieu of \$500,000 now authorized.

The appropriation is for a revolving fund, and is exactly like appropriations made under the World War Veterans' Act of 1924, as amended. Under section 13 of that act, \$1,671,623.62 was advanced to veterans who desired to undertake courses of vocational rehabilitation. All that sum of money has been repaid with the exception of about \$1,648.95, which is yet outstanding, and which will be paid, because under both the World War I act and the existing act, Public Law 16, passed during the Seventy-eighth Congress, these advancements, which cannot exceed \$100 in any one case, are repaid by proper deduction from future payments of pensions or retirement pay or other benefits going to the veterans. So that it is strictly a revolving fund, which will come back into the Treasury.

There being no objection, the bill (S. 1877) to amend paragraph 8 of part VII, Veterans' Regulation No. 1 (a), as amended, to authorize an appropriation of \$1,500,000 as a revolving fund in lieu of \$500,000 now authorized, was received, read twice by its title, and referred to the Committee on Finance.

APPOINTMENT OF FACT-FINDING BOARDS TO INVESTIGATE LABOR DISPUTES— AMENDMENT

Mr. BYRD submitted an amendment intended to be proposed by him to the bill (S. 1661) to provide for the appointment of fact-finding boards to investigate labor disputes seriously affecting the national public interest, and for other purposes, which was referred to the Committee on Education and Labor and ordered to be printed.

NATIONAL HOUSING POLICY— AMENDMENTS

Mr. MITCHELL submitted two amendments intended to be proposed by him to the bill (S. 1592) to establish a national housing policy and provide for its execution, which were referred to the Committee on Banking and Currency and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 5504) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was read twice by its

title and referred to the Committee on the Judiciary.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 925 RELATING TO INVESTIGATIONS OF RAILROAD TRUSTEESHIPS AND RECEIVERSHIPS

Mr. WHEELER submitted the following resolution (S. Res. 234), which was referred to the Committee on Printing:

Resolved, That there be printed 1,000 additional copies of Senate Report No. 925, current session, accompanying Senate Resolution 192, authorizing an investigation of railroad trusteeships and receiverships under section 77 of the Bankruptcy Act and in equity, for the use of the Committee on Interstate Commerce.

AUTHORIZATION FOR THE PRINTING BY THE SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION OF ADDITIONAL COPIES OF SUBCOMMITTEE MONOGRAPH NO. 1

Mr. PEPPER submitted the following resolution (S. Res. 235), which was referred to the Committee on Printing:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Senate Subcommittee on Wartime Health and Education authorized by Senate Resolution 74, Seventy-eighth Congress (extended by S. Res. 62, 79th Cong.), be, and is hereby authorized and empowered to have printed for its use 1,500 additional copies of its Subcommittee Monograph No. 1.

FLOOD PROBLEMS ON AMAZON CREEK, OREG. (S. DOC. NO. 138)

Mr. BAILEY. Mr. President, I present a letter from the Chief of Engineers, United States Army, dated February 2, 1946, transmitting an interim report, together with accompanying papers and illustrations, on a review of reports on the Columbia River and tributaries covering the flood problems on Amazon Creek, Oreg., in connection with the Columbia River development. I ask unanimous consent that the letter, together with the report, papers, and illustrations, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NEW YORK-DELAWARE RIVER SECTION OF INTRACOASTAL WATERWAY

Mr. BAILEY. Mr. President, I also present a letter from the Secretary of War, together with a letter from the Chief of Engineers, United States Army, dated July 14, 1942, submitting a report, with accompanying papers and illustrations, on a review of reports on the New York Bay-Delaware River section of the intracoastal waterway requested by a resolution of the Committee on Commerce, United States Senate, agreed to on December 15, 1936. I ask unanimous consent that the letter, together with the report, papers, and illustrations, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. THOMAS of Utah. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Radcliffe
Austin	Hart	Reed
Bailey	Hatch	Revercomb
Ball	Hayden	Robertson
Bankhead	Hickenlooper	Russell
Barkley	Hill	Saltonstall
Bilbo	Huffman	Shipstead
Brewster	Johnson, Colo.	Smith
Bridges	Johnston, S. C.	Stanfill
Briggs	Knowland	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Thomas, Okla.
Byrd	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Carville	McFarland	Tunnell
Cordon	McKellar	Tydings
Donnell	McMahon	Vandenberg
Downey	Magnuson	Walsh
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Wiley
George	Mitchell	Willis
Gerry	Moore	Willson
Gossett	Murdock	Young
Green	O'Mahoney	
Guffey	Overton	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Senator from Pennsylvania [Mr. MYERS], the Senator from Texas [Mr. O'DANIEL], the Senator from Florida [Mr. PEPPER], and the Senator from Montana [Mr. WHEELER] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Delaware [Mr. BUCK] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] is absent on official business for the Committee on Interstate Commerce.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Seventy-six Senators having answered to their names, a quorum is present.

SENATOR RADCLIFFE—ARTICLE FROM BALTIMORE SUN

Mr. McKELLAR. Mr. President, I wish to place in the RECORD an article which was published in the Baltimore Sun of February 21, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DENNIS HEADS VOTE CAMPAIGN FOR RADCLIFFE—EX-CHIEF JUDGE OF BENCH OPPOSES O'CONOR IN SENATORIAL PRIMARY

(By Louis J. O'Donnell)

After years of retirement from politics, Samuel K. Dennis, former chief judge of the Supreme Bench of Baltimore—the foremost lieutenant of the late John Walter Smith in the days when he ruled the Democratic Party in Maryland—has returned to the arena to direct the campaign of Senator RADCLIFFE for renomination.

Mr. Dennis, an Eastern Shoreman who was credited with having one of the most astute political minds in the State, during the Smith lieutenantcy in the first two decades of the century, announced yesterday that he would head an executive committee in behalf of Senator RADCLIFFE's renomination.

For the first time, except one, in Governor O'Connor's political career, Mr. Dennis said, he finds it necessary to oppose him in the primary for the senatorial seat.

ANXIOUS TO SERVE

"Many years, many men have passed since I left the political field, as, I supposed, never to return, to watch the game as an interested spectator from the sidelines," said Mr. Dennis. "Now I find myself anxious to serve in any capacity within the scope of my abilities in the aid of the candidacy of Senator GEORGE L. RADCLIFFE."

"For the first time, except one, in his long political career the State's attorney, attorney general, governor—I cannot back Governor O'Connor, a matter of sincere regret, for our relations have been close."

"It is no reflection upon him that I now support his rival for nomination as United States Senator, not for personal reasons, but upon impersonal public grounds which in my judgment should be controlling upon the Democratic voters of the State at large."

RADCLIFFE'S HANDICAPS

"Senator RADCLIFFE starts with seeming practical political handicaps. He is not a politician by profession, practice, or by background. He started out in life from the farm to teach—and to specialize as a student of history. He took his learned degree of doctor of philosophy, wrote a biography of acknowledged merit, seemed dedicated to lifelong scholarship."

"Then he studied law, stood second in his class, became head of the legal department of a security company, and now is recognized as one of the leading men in the surety business in America—poor preparation for practical politics."

"He has built up no political machine to automatically register his nomination, never will, never tried to. So he is handicapped if a machine equipped and greased by patronage and professionals must be necessary to success."

SUPPORT WELL ORGANIZED

"But he has well-organized support, voluntary support. Among his active backers are office holders, high and low, State central committeemen, party workers, and those who seldom vote—a strange trait."

"Senator RADCLIFFE can't cultivate a grudge, is no 'denouncer,' is forgiving, trusts people even after proof of unworthiness. People do diabolical things to him and next time he serves them willingly, smilingly, just the same."

"Nor is he partisan. He has an idea his services belong to anyone, everyone. Hence men of high and low degree, of all political affiliations, in business and in office alike, find him approachable, amiable, infinitely kind and obliging."

"The old political schoolmasters I knew taught no such political doctrines. Gouge, gore opponents; keep all the prizes, benefits, and emoluments; forget, forgive no enemy. Such was their catechism, their mottoes upon the caucus-room walls."

RADCLIFFE UNORTHODOX

"But Senator RADCLIFFE is unorthodox throughout. He became invaluable to his company, not as master of routine but in stranger fields as 'trouble shooter' idea man, pioneer thinker, policy maker, diplomat. A colleague said: 'Give George time enough and let him do it his own way and he will move the Pyramids from Egypt to Druid Hill Park.

"Again, he lacks selfishness, will not claim even his due; has no flair, no gift for showmanship, does a thousand good turns for just and unjust; then forgets them. At least, he never reminds the debtor of the debt.

"Nor does he make politics his master. Even in campaigns he puts a tremendous amount of time on the polo campaigns, on historical subjects, and a lot of other matters when perhaps his political welfare would require that he devote such precious time to campaigning."

HE WILL WIN THIS TIME, TOO

"Defying all orthodox political patterns and while bearing those same handicaps, heretofore he has won in every primary—and he has faced fierce ones—and in every election.

"He will win this time, too." For the masses love him, respect him, vote for him, and the politicians admire him for being the loyal friend and magnanimous sportsman he is.

"The controlling reasons for returning RADCLIFFE to the Senate are his immense utility to the State and Nation, and the superb energy, intellect, and fidelity he applies to his duties; all with signal success.

"Corporations in Maryland, now wonderfully prosperous, owe their existence in large part to Senator RADCLIFFE's subtle intellect, character, and influence in Washington. His thorough understanding of the country's war problems, his faithful devotion to every measure, every effort to win the war cannot be overestimated."

UNDERSTANDING CHAMPION

"The shipping and banking interests of the country, as do many others, know how earnest, helpful, and able he is. Cannery, seafood dealers, farmers, poultry raisers, industries of every type in Maryland find in him an understanding champion.

"No successor can fall heir to the good will, of the seniority claims to powerful committees, or experience he has acquired in eleven active, busy years, which include the most terrible and troubled years in our history.

"He likes everybody. He has courageously voted upon many, many highly controversial measures—damned-if-you-do, damned-if-you-don't measures.

"Therefore I do not embrace all his friends; nor do I agree with all his votes. But at that, no Senator I ever knew, including my mentor, patron, and best friend, Senator John Walter Smith, on the whole, was ever more sound, sane, and right."

WORLD STEEPED IN SORROW

"The time has passed when our sympathetic Senator must seek to ease the anxiety or bereavement of parents whose offspring—as did his son—bore the dangers of war and who faced its gigantic tragedy. The shooting is over. Yet the whole world is steeped in sorrow.

"The United States is in a quagmire of difficulty and division. The task of reconstruction is, of course, too vast for computation or for successful treatment. Something—it may be only a little—may be done by using the best instruments available to forestall chaos.

"Who will say that we should do any less than our best; that we owe anything less to this created-suffering earth, especially to our own torn, demoralized country, groping to find solutions for its war-created griefs?

"Which means at the instant that we hold fast to that man who has demonstrated his worth in the Senate, that man who has of his own ability and quality won influence and no

little fame in Washington; who has acquired an expert knowledge and experience which only schooling for years and years in the Senate itself can possibly supply to anyone, whatever his gifts and natural abilities may be."

Mr. MCKELLAR. Mr. President, I should like to read a paragraph from this article.

Senator RADCLIFFE can't cultivate a grudge; is no denouncer; is forgiving; trusts people even after proof of unworthiness. People do diabolical things to him and next time he serves them willingly, smilingly, just the same.

Nor is he partisan. He has an idea his services belong to anyone—everyone. Hence men of low and high degree, of all political affiliations, in business and in office alike find him approachable, amiable, infinitely kind and obliging.

Mr. President, this article is so entirely in agreement with my own view about our colleague, GEORGE RADCLIFFE, that I wish to place it in the RECORD, and I ask Senators of all political persuasions to read it tomorrow. They will enjoy the beautiful statements which are made about the Senator from Maryland.

TWENTY-FIFTH ANNIVERSARY OF THE AMERICAN CIVIL LIBERTIES UNION—MESSAGES FROM PRESIDENT TRUMAN AND GOVERNOR DEWEY OF NEW YORK

Mr. GUFFEY. Mr. President, last November the American Civil Liberties Union celebrated its twenty-fifth anniversary. It is appropriate that that occasion should be noted in the CONGRESSIONAL RECORD, and I, therefore, ask that there be printed in the RECORD as a part of these remarks, messages addressed to the union on that occasion by the President of the United States and the Governor of the State of New York.

There being no objection, the messages were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,

Washington, D. C., November 24, 1945.

DR. JOHN HAYNES HOLMES,

Chairman, Board of Directors, American Civil Liberties Union, New York:

I send you warm greetings upon the completion of 25 years of fighting for the civil rights of all Americans. The union is most publicized for its protection of minority groups, but I know that your over-all objective is that inherent constitutional privileges be granted to every person, citizen, or alien, with no thought of race, color, or creed. I know, too, that you fight for the rights of majorities threatened by illegal monopoly and repression.

I believe with your members that whatever a man's political thinking, whatever his background, environment, or education, he must, if he be a real American, respect the aims of organizations such as yours. The integrity of the American Civil Liberties Union and of its workers in the field has never been, and I feel, never will be questioned. Officers, directors, and members of the union have performed outstanding service to the cause of true freedom.

HARRY S. TRUMAN.

NOVEMBER 23, 1945.

DR. JOHN HAYNES HOLMES,

Chairman, Board of Directors, American Civil Liberties Union.

DEAR DR. HOLMES: I am happy to send warm greetings to all members of the American Civil Liberties Union and all men and women present at the national convention you are holding on November 24, on the theme "What's Ahead for American Liberties."

It is a matter of just pride to the citizens of New York State that the American Civil Liberties Union was incorporated under the laws of the Empire State on whose soil so many hotly contested struggles for the liberty and dignity of the individual were fought and won, struggles not only on the battlefield but in the courts and other arenas of the unending contest for freedom.

Of the quarter century of your existence you have established an enviable record. You have established, also, beyond all possible doubt, proof that the American Civil Liberties Union is an essential part of American life. It is essential not merely to the individuals whom you have helped against injustice, but to the self-respect of the community and of all citizens who appreciate our priceless heritage of personal, political, and religious liberty and regard for the dignity of the individual.

The war for freedom is an endless one. The worst attacks are those which do not affect the majority—the insidious attacks. Without the American Civil Liberties Union there would be no organization to take up the cudgels for lone, oppressed individuals.

It has been inspiring to observe that the American Civil Liberties Union has stood unwavering on the principle of defending everybody's rights without distinction. It has championed the rights of unions and of employers, of union workers and nonunion workers, of Catholics, Protestants, and Jews. On the racial front it has stood firmly for the liberty of every racial minority.

It is a pleasure, therefore, to hail the gallant part that the American Civil Liberties Union has taken in upholding the principles for which this Republic was founded and to extend my warm wishes for continuing success.

Sincerely yours,

THOMAS E. DEWEY.

ST. LAWRENCE SEAWAY AND POWER PROJECT

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated February 12, 1946, dealing with the St. Lawrence seaway and power project, addressed by former President Herbert Hoover to the Senator from New Mexico [Mr. HATCH], chairman of the subcommittee of the Senate Foreign Relations Committee.

I also ask unanimous consent to have printed in the RECORD an editorial entitled "A Strong Case for the Seaway," published in the Watertown (N. Y.) Times of February 21, 1946, dealing with the same subject.

There being no objection, the letter and the editorial were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., February 12, 1946.

HON. CARL A. HATCH,

United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your request for my views upon the construction of the St. Lawrence waterway.

At my instance, as Secretary of Commerce, President Coolidge in 1924 created the first St. Lawrence Waterway Commission. I served as chairman of that body until 1928. A parallel body was created by the Government of Canada and under the two commissions exhaustive economic and engineering investigations were completed. The economic studies demonstrated great public usefulness of the undertaking and the engineering studies greatly advance the engineering problems.

In 1929, as President, I initiated negotiations for a treaty with Canada providing for the construction of the waterway and settling various interrelations in respect to it. This treaty was signed on July 18, 1932, and was sent by me to the Senate with an urgent recommendation for its ratification.

During this period of nearly 8 years of close association with the problem, I made something like 30 statements, addresses, and reports, and appeared a number of times before congressional committees, all advocating the undertaking. In those statements I canvassed the reasons for and against the construction, and, except for minor changes which time implies, those statements are applicable today.

No doubt these statements and reports can be had from the files of the Department of Commerce if they are wanted, and it is unnecessary for me to repeat the gist of them now.

I did not at the time of my association with the problem believe—and I do not now believe—that the Federal Government should undertake to operate and distribute the electric power which will be a byproduct of the enterprise. The sale of the power on a long-term contract to public bodies and private power companies under regulations which protect the consumer, as in the case of the Colorado River Dam, will be in much greater public interest.

I do not consider the construction of the waterway will injure the existing American transportation system or our ports. The natural increase in goods movement which should take place during the long period of construction should more than compensate any diversion.

Nor should we begrudge any added prosperity to Canada that may come from this enterprise, for her prosperity is as much our prosperity as that of any group of our own States.

It was obvious in 1924 that aside from its great peacetime importance, the waterway would have been of immense value in prosecuting World War I. Had the treaty of 1932 been ratified at that time, and construction followed, the waterway would have directly or indirectly paid for itself several times over in World War II. There can be no doubt as to its value as a defense measure.

From an economic point of view, it could be said as an axiom that every improvement of transportation brings not only visible economic benefits but a host of invisible ones—for cheapening of transport benefits both the producer and the consumer in lessening costs. I have no hesitation in my belief as to the economic value of the project.

I remain,

Yours faithfully,

HERBERT HOOVER.

[From the Watertown (N. Y.) Times of February 21, 1946]

A STRONG CASE FOR THE SEAWAY

Seaway advocates have had their innings at the Washington hearings this week. They have presented a strong case, stronger, it seems to us, than has been presented at other hearings in the past. Testimony was well organized. Witnesses were on hand from all sections of the country and the evidence was factual and convincing.

Here are some of the important points already established:

1. The seaway and the power development will be less costly than any comparative development ever made in this country for the reason that the work is already largely completed. Only the International Rapids remain to be canalized.

2. The St. Lawrence power is the largest undeveloped hydroelectric power in the United States and, once developed, can be sold at a fraction of the cost of electric energy generated by steam.

3. The argument that development of the St. Lawrence power will result in a decreased use of coal is refuted by what happened after the TVA development. The use of coal increased in the territory served by this development.

4. The old allegation that organized labor is against the seaway was disproved by representatives of the CIO textile workers and

the CIO auto workers, totaling about 2,000,000 members, who expressed themselves as strongly in favor of the project.

5. It was again established that the seaway is enthusiastically favored by the Board of Army Engineers. A former Chief of this Board testified that, if the cost of the seaway were 50 percent higher than estimated, it would still be economically justified.

William T. Field, of this city, who heads the delegation from the Northern Federation of Chambers of Commerce, added considerably to the strength of the seaway case by his testimony given yesterday. So did the brief of Frank Augsburg, of Ogdensburg, filed by Mr. Field. It was Mr. Field who laid before the committee the figures regarding the use of coal in the Tennessee Valley. It was Mr. Augsburg who pointed out that lack of cheap power in northern New York was closing industries.

Later on the opponents of the seaway will have their opportunity. That there will be strong opposition we all know from experience, but this time the seaway foes will have a strong case to overcome. The seaway advocates have done well.

RETURN TO JUSTICE—ADDRESS BY SENATOR TAFT BEFORE MISSOURI REPUBLICAN CLUB

[Mr. TAFT asked and obtained leave to have printed in the Record an address entitled "Return to Liberty," delivered by him before the Missouri Republican Club, at Kansas City, Mo., on February 12, 1946, which appears in the Appendix.]

RETURN TO JUSTICE—ADDRESS BY SENATOR TAFT TO REPUBLICANS OF TEXAS

[Mr. TAFT asked and obtained leave to have printed in the Record an address entitled "Return to Justice," delivered by him to the Republicans of Texas, at Dallas, Tex., on February 14, 1946, which appears in the Appendix.]

WHAT SHOULD WE DO ABOUT THE BRITISH LOAN?—STATEMENT BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the Record a statement entitled "What Should We Do About the British Loan?" made by him at a round-table discussion on American Forum of the Air on February 26, 1946, which appears in the Appendix.]

BROTHERHOOD OR BOMBS, WHICH?—ADDRESS BY FREDERICK TAYLOR WILSON

[Mr. CAPPER asked and obtained leave to have printed in the Record an address entitled "Brotherhood or Bombs—Which?" delivered by Frederick Taylor Wilson at the Church of the Reformation, in Washington, D. C., on February 28, 1946, which appears in the Appendix.]

REPLY OF ROBERT R. WASON TO CRITICISM BY CHESTER BOWLES OF PRICE-CONTROL ATTITUDE OF THE NATIONAL ASSOCIATION OF MANUFACTURERS

[Mr. BRIDGES asked and obtained leave to have printed in the Record a radio address delivered by Robert R. Wason, president, National Association of Manufacturers, in reply to criticism by Mr. Chester Bowles of the attitude of the National Association of Manufacturers on price control, which appears in the Appendix.]

THE ORDNANCE VICTORY SYSTEM—ARTICLE BY LT. GEN. L. H. CAMPBELL, JR.

[Mr. RUSSELL asked and obtained leave to have printed in the Record an article entitled "The Ordnance Victory System," written by Lt. Gen. L. H. Campbell, Jr., Chief of Ordnance, and published in the spring, 1946, issue of the magazine Dixie Business, which appears in the Appendix.]

RESTORATION OF FORD'S THEATER

[Mr. YOUNG asked and obtained leave to have printed in the Record an article entitled "Plan To Restore Ford's Would Fill Last Panel in the Lincoln Tragedy," written by Nelson B. Bell, and published in the Washington Post of February 24, 1946, which appears in the Appendix.]

URGENT DEFICIENCY APPROPRIATION ACT, 1946

The Senate resumed consideration of the bill (H. R. 5458) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes.

The PRESIDING OFFICER. The remaining amendment of the Committee on Appropriations will be stated.

The amendment was, under the heading "Department of Agriculture—Rural Electrification Administration," on page 4, line 10, after the word "amended", to insert a colon and the following proviso: "Provided, That no part of this fund shall be available to the Rural Electrification Administration for the making of any loan for the construction of a generating plant unless the Federal Power Commission shall first certify that there is not sufficient electric current available in the area concerned at reasonable rates."

Mr. GURNEY obtained the floor.

Mr. MCKELLAR. Mr. President, will the Senator yield to me?

Mr. GURNEY. I yield to the Senator from Tennessee.

Mr. MCKELLAR. This amendment was offered in committee by the distinguished Senator from South Dakota. He made the argument that this appropriation was for the purpose of extending rural electric lines to the people of the country rather than to build electric plants, and that where electricity could be procured from existing lines at reasonable prices it was useless to spend most of this money or a very large part of it for building electric plants, but that the principal work should be the building of the lines. As I recall, the committee unanimously agreed with him. I think that statement is a correct one. I think there were no opposing votes.

Mr. RUSSELL. Mr. President, I was not present in the committee when the bill was acted on, but I was opposed to the amendment.

Mr. MCKELLAR. I do not think the Senator from Georgia was present at the time, because, as I remember, the vote for the amendment was unanimous. However that may be, the amendment was proposed by the Senator from South Dakota. That is all I desire to say.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. GURNEY. For what purpose?

Mr. BILBO. I should like to ask the Senator from Tennessee [Mr. MCKELLAR] a question.

Mr. GURNEY. On the pending amendment?

Mr. BILBO. Yes.

Mr. GURNEY. First, I should like to make an opening statement, if I may.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. GURNEY. I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I rise for the purpose of making a point of order against the pending amendment, on the ground that it is legislation on an appropriation bill. The amendment itself would alter the basic policy of the Rural Electrification Act. It goes to the very core of the intention of the act. I therefore make the point of order.

Mr. McKELLAR. Mr. President, I wish to be heard on the point of order.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The Chair overrules the point of order, and holds that the amendment is not general legislation, but constitutes a limitation upon the use of the funds provided for in the bill.

Mr. McKELLAR. I thank the Chair. It is not necessary that I be heard.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. As I understand, the Chair construes the amendment to be a limitation, rather than legislation.

The PRESIDING OFFICER. The Chair holds that the amendment is not general legislation, but constitutes a limitation upon the use of the funds provided for in the bill.

Mr. GURNEY. Mr. President, I believe it is the intention of Congress in appropriating money for rural-electrification lines to furnish electricity for farms. Therefore in presenting this amendment to the Committee on Appropriations I sought to justify the amendment on the basis that we should allocate these funds for farm-line building, so as to serve as many farmers as possible with rural electric lines.

The background for my amendment originated 3 or 4 years ago, at which time I had quite a bit of information—and still have it in my files—to the effect that in several States in the Northwest REA funds had been allocated and used for the purpose of purchasing small, municipal light plants, small privately owned light plants in villages, small towns, larger towns, and even possibly cities, if we consider a city to be a community of more than 5,000 population. REA funds appropriated by Congress were used to build or buy generating plants, thereby cutting down the number of farm lines which could actually be built. In some instances, with the aid of the electricity furnished to the citizens of those towns, it was possible to show a profit on such lines.

I feel that Congress wants farm lines built, and farm lines only. I did not offer this amendment in any way to stop the building of farm lines, or in any way to hinder the REA Administrator in the efficient administration of the funds appropriated by Congress to be allocated by him. Under the terms of the pending amendment, the Administrator would be required to obtain certification from the Federal Power Commission that electricity is not available at reasonable rates. He would then have full authority to build such generating plants as might be needed in any area.

I shall not speak at length on this amendment. It is submitted to the Senate on an open and aboveboard basis. It would not stop the REA for any length

of time if it had a bona fide project to which it wished to allocate funds.

I ask for the adoption of the amendment.

Mr. BUTLER. Mr. President, will the Senator yield for a question?

Mr. GURNEY. I yield.

Mr. BUTLER. I dislike very much not to be in agreement with the distinguished Senator from our neighbor State; but I wonder if he thinks there would be any danger of the Administrator of the rural-electrification program attempting to build a generating plant when it would definitely cost more than to buy current from the available source, whatever it might be?

Mr. GURNEY. Yes. I am sure the evidence is quite conclusive that generating plants have been built, are now in process of construction, and are contemplated to be built later, under circumstances in which the cost of generating power with REA funds is much higher than the cost of purchasing electricity from available sources.

Mr. BUTLER. I have not had the years of experience which the distinguished Senator has had in South Dakota in connection with this program; but the experience which I have had up to date indicates an extremely economical administration by the officers of the REA. Personally I am not worried about them making a contract which is not to the best interests of the customers whom they are trying to serve.

Mr. GURNEY. Let me say to the Senator that if the REA can show that exorbitant rates are being charged, it will not be hurt by this amendment in any manner, shape, or form.

Mr. BUTLER. At one time the REA was an independent agency. Personally I think it should still be an independent agency. However, it was placed under the Department of Agriculture, and now if in order to carry on its program it must clear its way with some other Federal bureau or department, it means further delay. We have had delay enough in these programs, and I am anxious to see them proceed without undue delay.

Mr. GURNEY. If the Senator from Nebraska will permit a question in return, does he feel that the REA should establish an organization so as to have at its fingertips the available power in every section, State, and area of the whole United States? My information is that the Federal Power Commission has all the necessary information, and that it acts as a Federal agency for all branches of the Government when it comes to the question of power. It furnishes information to the Bureau of Reclamation and to the Army engineers. It can furnish such information to REA. Let me ask the Senator from Nebraska just what the function of the Federal Power Commission is if it is not meant to be an expert agency on the question of electrical energy all over the United States?

Mr. BUTLER. I am certain that if the REA or any other Government agency needs information which is in the possession of the Federal Power Commission it undoubtedly will ask for it. Certainly it has cooperated with the Federal Power Commission in the past. But I do not like to see further restrictions placed upon

the REA at this time in furthering its program, because in the postwar era one of the large programs which we are trying to complete for the farmers and producers of the country is the extension of rural electric service. I do not like to see any impediment placed in the way of progress in that direction.

Mr. MAGNUSON. Mr. President, I rise in opposition to the amendment. Let me say to the Senator from Nebraska [Mr. BUTLER] that I believe he is entirely correct.

I agree with the distinguished Senator from South Dakota that the purpose of the REA is to give to farmers as much available electricity as possible. I do not need to go into the history of rural electrification and relate how the farmers of this country were retarded by the very power companies themselves from obtaining electricity for their farms, because of the high cost of power lines. I do not need to go into the history of the REA itself which has done a splendid job and has electrified a great many farms in this country, in some States more than in others. I believe the rural areas of my own State are probably 85 percent electrified at this time. That is an outstanding record. It has been possible because we have the power available. But prior to the time when we had the power available, our State was one of the most backward States of the Union in respect to farm electrification.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. GURNEY. I was wondering whether the Senator had considered that possibly these REA funds might be used in a territory to put up an REA line where public power already was available, but because they did not get along with the public power body they decided to build their own generating plant. Does not the Senator think the Federal Power Commission or the Federal Power Commission would be a good arbitrator to step in at that point and say, "Well, power is available from the public body at reasonable rates, and you shall buy it from them."

Mr. MAGNUSON. Of course, I think the Federal Power Commission would be a good arbitrator if it would arbitrate. But this amendment goes to the very heart of the rural-electrification program. It means that all the rural communities that want cheap electricity for the farms would be deprived of their bargaining power with the private power companies. If the private power companies would not give them rates which they considered reasonable, of course they would go to the Federal Power Commission, but the Federal Power Commission could hold up for as long as 1 or 2 years the determination of what was a reasonable rate. I personally have sat in many rate cases, and I know how long they can drag on.

Furthermore, in this amendment there is no restriction which would compel the acceptance of what might be a reasonable rate. The important question in connection with electric power has always been what are reasonable rates. This amendment would delay action in cases in which rural electrification is needed and in which it might be neces-

sary to build a generating plant. The Senator from Nebraska hit the nail on the head when he said, "Why, of course, in the efficient operation of the REA they would not build a generating plant if they were getting reasonable rates." But what are reasonable rates has always been the question in these cases.

This amendment will do what the Senator from Nebraska said; it will retard the rural electrification program by causing all these questions to be referred to a bureau in Washington, where lengthy arguments may be made on the question of rates. In some instances in the courts rate cases have taken as long as 3½ years before the question was determined.

Although the Senator from South Dakota may be motivated by very laudable aims and a laudable desire to more or less restrict the Rural Electrification Administration to one specific purpose, I think the amendment will do just the opposite.

The Senator from South Dakota mentioned as a reason that there has come to his attention the fact that in the Northwest there are some small communities in which the Rural Electrification moneys have been used, as I understood him to say, for the purpose of purchasing small municipal plants. That is true; but the reason why the Rural Electrification Administration granted the loan and the reason why the plant had to be purchased was that that was the only generating source in the area from which lines could be extended into the nearby rural community.

I think the REA should be in the same position as any other Federal loan agency. If cooperatives or if any group of farmers can come to the REA and can show it a good reason why they should be loaned money, and if it is a good financial risk and if they have paid back almost every loan they have obtained in the past, there should not be any restriction on it. If it is necessary for them to build a generating plant in order to have bargaining power with the electric company, so as to enable them to get reasonable rates, they should be permitted to do so.

But only by means of the Federal Government will rural electrification be extended to the extent that every Senator on this floor wants to have it extended.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SHIPSTEAD. I agree wholeheartedly with the Senator from Washington. I have had a good deal of personal experience with bargaining for electricity. Where I live the area was surveyed for rural electrification in the winter of 1935. We started in early January. I selected the engineer to lead the survey. We got funds from Emergency Relief. On the basis of that survey we applied for a loan, after the Rural Electrification Agency established by Executive order in early May. We were all ready to get money with which to build a plant. There were three different sources of private enterprise which were generating electricity. We went to them and asked them to furnish us with electricity. They would not even dis-

cuss rates with us. They would not even discuss the possibility of giving us any rates. We were able to get them to sit down and discuss rates with us only after we had threatened to go to the Federal Government and request a loan of \$500,000 from the Public Works Administration to enable us to electrify the area in the State of Minnesota. Then we got a rate, and a very satisfactory rate, because we had bargaining power. We are still getting electricity from the same source.

As the Senator from Washington has said, the amendment would take away the bargaining power of the cooperatives. I have never been in favor of building, by public money, plants for cooperatives, so long as they can get a decent rate from private sources. I would not buy a store and fill it with goods if a merchant would sell to me at a reasonable price; and I feel the same way about electricity.

The cooperatives should be permitted to do their own bargaining and be free. They should not be required to go to the Federal Power Commission and have it come between them and the power interests. They can get competent engineers to advise them regarding what is a just rate, based on the potential power required. The cost can be known. I think that so far the cooperatives have been very successful, generally speaking, in making satisfactory bargains with private industry, and it saves them a great deal of overhead, interest, and so forth. So far as I am concerned, I do not wish to have that program interfered with by turning it over to a commission in Washington, no matter what its name.

Mr. MAGNUSON. Of course, Mr. President, the Senator from Minnesota is exactly correct. This is what happens and what is happening in my State: There may be a bus bar of a public power line in the area, but a private power company is serving the area. Of course, the farmer would just as soon buy the power from the private power company as from the public power bus bar. But the farmers ask the private power company for a rate. The private power company says, "We will give you a rate of so many cents per kilowatt-hour, which we think is a reasonable rate." In the meantime, if the farmers' cooperative or the farmers' group, whether cooperative or not, says, "We do not think it is a reasonable rate," the matter goes to Washington, and that means delay. The actual completion of that electrification line could be delayed so long that sometimes possibly 2 or 3 years would elapse before the matter was settled. The core of the whole thing is the question as to what is a reasonable power rate. Even if the Federal Power Commission then decided what was a reasonable rate, either under this amendment or under the act, no one would have to accept it. They could go on wrangling from then on.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MAGNUSON. I am glad to yield. Mr. BRIDGES. When the Senator from Washington says that it would require 2 or 3 years, or more, to obtain a decision, evidently he does not believe in the New Deal bureaucracy.

Mr. MAGNUSON. I do not think that a New Deal or a Republican bureaucracy could determine in a short period of time what is a reasonable rate, when, under the rules of the various commissions, private attorneys may appear and call any number of technical witnesses.

Mr. AIKEN. Mr. President, the Senator from New Hampshire has said that the Senator from Washington evidently does not believe in bureaucracy. I would say that the Senator from Washington evidently knows all about the ability of the private utility companies to drag matters out for a number of years through various commissions and courts. I assume that the Senator from New Hampshire also recognizes the ability of the utility companies to drag out issues. Delay is one of their strongest weapons. The Senator from Washington has told us that the threat of generating their own power which the cooperatives are able to exercise in the event the power companies attempt to hold them up on rates has been of benefit to the cooperatives.

Mr. President, I should like to read into the Record at this point certain evidence which bears out the statement of the Senator from Washington. I believe that it was on November 21 that Mr. Wickard appeared before the House Committee on Interstate and Foreign Commerce and gave the committee some figures showing what had been saved to the farm cooperatives and the REA cooperatives, through the bargaining power to which reference has been made. I wish to give some examples of savings which have been effected.

The table from which I shall read is headed "Savings accruing to distribution cooperative through the purchase of energy from REA-financed generation-transmission cooperatives which supply power to more than one distribution cooperative." The data covers the States of Minnesota, North Dakota, Wisconsin, and others. Take, for example, the Dairyland Power Cooperative. The private company would not sell them power for less than 1.8 cents per kilowatt-hour.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. AIKEN. I do not know that I have the floor.

The PRESIDING OFFICER. The Senator from Washington [Mr. Magnuson] has the floor.

Mr. MAGNUSON. I yield to the Senator from South Dakota.

Mr. GURNEY. Of course, Mr. President, all the Federal Power Commission would have to do would be to certify that 1.8 cents per kilowatt-hour is too high, and they would certainly rule that way, and there would be no delay.

Mr. AIKEN. And, of course, all the power companies of South Dakota would have to do is to go before the Federal Power Commission and drag their case out through several months or year, and the farmers of South Dakota would take a licking.

Mr. GURNEY. The Senator was talking about a case in Wisconsin.

Mr. AIKEN. I will talk about it, if the Senator will allow me.

Mr. HILL. Mr. President, is it not a fact that before any REA funds may be

used for the construction, operation, or enlargement of a generating plant, consent from the State public service commission must be obtained? The State authority, under the law, has to pass on the matter.

Mr. AIKEN. I think that it probably depends upon the State law.

Mr. HILL. Most of the States have authorities covering such matters. Allow me to read from Public Law 605, Seventy-fourth Congress, to provide for rural electrification, and for other purposes. I read from section 4, on page 3:

Provided further, That no loan for the construction, operation, or enlargement of any generating plant shall be made unless the consent of the State authority having jurisdiction in the premises is first obtained.

Mr. MAGNUSON. Mr. President, the Senator from Vermont [Mr. AIKEN] wishes to place some figures in the RECORD. Of course, in many cases consent of the State authority is engineering consent to use the plant. In many cases it does not deal with rates at all.

Mr. HILL. And in some cases it does deal with rates.

Mr. MAGNUSON. Yes. But I may also say that in the States which have the greatest amount of rural electrification, the Senator's statement would not apply.

Mr. HILL. But in some of the States, it does apply.

Mr. MAGNUSON. Yes.

Mr. AIKEN. Mr. President, I should like to put some figures in the RECORD to show what the REA cooperatives have been able to save through obtaining loans in order to construct their own generating plants. I shall start again with the Dairyland Power Cooperative. It is located, I believe, where the Minnesota, Iowa, and Wisconsin State lines come together. The power company asked 1.8 cents per kilowatt-hour for electricity. The cooperative installed its own generating plant and produced the needed electricity for 1.28 cents per kilowatt-hour, thereby effecting an annual saving of \$330,000 for the farmers of Minnesota, Iowa, and Wisconsin.

Then let us take the Rural Cooperative Power Association. The amount which that company would have been charged was 1.8 cents per kilowatt-hour. The cooperative installed its own plant and generated power for 1.14 cents per kilowatt-hour, thereby saving \$92,000 a year for the farmers of that community.

In the case of the Border Counties Cooperative, the private power company would have charged 1.8 cents per kilowatt-hour. The cooperative was enabled to generate its own power for 1.50 cents per kilowatt-hour, thereby saving to the farmers \$3,600 a year.

In the case of the Minnkota Power Cooperative, the private power company would have charged it 1.8 cents per kilowatt-hour. It was able to produce its own power for 1.33 cents per kilowatt-hour, and thereby was enabled to save \$42,000 a year.

Now let us get down into the State of Iowa. The Federated Cooperative Power Association, which would have had to pay 1.5 cents per kilowatt-hour for electricity, produces its own power at 1 cent per kilowatt-hour, thereby saving \$110,000 a year.

Take the case of the Central Electric Federated Cooperative Association. It would have been required to pay to the private-power companies 1.5 cents per kilowatt-hour, but it generates its own power for 99 cents per kilowatt-hour, resulting in a saving of \$82,000 a year.

The total savings resulting to these companies was \$659,600 a year.

Mr. President, that is not the whole story, by any means. In many instances it was necessary only for the REA to grant a loan to the cooperative, and the power companies voluntarily reduced their rates to meet the rate at which power could be generated by the cooperative itself.

Here are some cases in Texas. The Brazos Transmission Cooperative and Farmers Generation and Transmission Cooperative was about to be charged by the Texas Power & Light Co. 1.2 cents per kilowatt-hour. The cooperative obtained a loan from the REA, and the Texas Power & Light Co. reduced its rate to 0.56 cent per kilowatt-hour. The result was a saving of \$137,000 annually to the farmers in that part of Texas.

The list I have includes also cooperatives of the States of Arkansas, Louisiana, Oklahoma, Minnesota, Wisconsin, North Dakota, Iowa, Alabama, Mississippi, Georgia, South Carolina, and North Carolina. Other States are not included in this list. But in the States which I have named—15 in all—through the bargaining power, or ability to construct plants for their own purposes, the cooperatives saved the farmers a total of \$2,265,600 annually. That is the sum which those farmers would have had to pay had an amendment such as the one being proposed to the pending bill been incorporated in the REA law.

I wish also to say, if the Senator from Washington will yield to me further—

Mr. MAGNUSON. I yield.

Mr. AIKEN. If this amendment is agreed to, it will handicap and hamstring farmers of this country at a time when it is necessary for them to reduce their costs in every possible way. The cost of labor has greatly increased during the past few years. One way the farmer can meet the increased cost of labor is by installing more electrical equipment and obtaining power at a reasonable rate.

Again I wish to call attention to the fact that during the war many cooperatives which already had their own generating plants were unable to generate sufficient power to meet the expanding number of members who have come into the cooperatives during the last 4 or 5 years. It is necessary now for them to add additional units if they are to meet the demands. If the pending amendment should be adopted, it would be impossible for them to do so without incurring long delay. Assuming that the Federal Power Commission eventually grants authority to construct the additional generating units, it would be months or possibly years before they could get around to doing it. In the meantime, the cooperatives would be absolutely at the mercy of the private utility companies and would have to pay whatever prices were charged them.

I might illustrate by citing an instance in my own State. In Washington Coun-

ty, Vt., a few years ago a rural electric cooperative was organized. They tried their best to buy power from the local company. They were asked 1.92 cents a kilowatt hour. They did not feel they could pay that, and so they installed a Diesel plant away up in the mountains, where a great deal of power is generated from waterpower. They had to put in a Diesel plant. I do not know what it cost them to generate, but I understand it was about a cent and a quarter a kilowatt hour. The result was that after 3 or 4 years the private utility company made them an offer to furnish them the power they needed for approximately half what they proposed to charge them 4 or 5 years previously.

I see the senior Senator from New Hampshire [Mr. BRIDGES] in the Chamber. I think the rural electrification cooperative in New Hampshire pays about the highest rate charged any cooperative in the country. A letter received a short time ago from George Duncan, the president of that cooperative, informed me that although they had, as I recall, the figure, a base rate of 1.23 cents a kilowatt hour, yet there was an escalator clause in the contract, and other charges, because of which the cost is brought up to almost 3 cents a kilowatt hour. If that New Hampshire electrification cooperative, which has been in financial distress, can find any way to lower the wholesale cost from the 2.8 cents, which I think is the exact figure the president gave me, I say let us help them to do it. At a time such as this we simply must help the farmers lower costs in every way possible.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. AIKEN. I do not have the floor.

Mr. MAGNUSON. I yield to the Senator from Vermont if he desires to yield to the Senator from New Hampshire.

Mr. AIKEN. I think I am practically through, except that I should like to say, Mr. President, that at no time has there been a more determined effort on the part of the utility interests to destroy farm cooperatives, and particularly the REA, than there is at this moment. At no time have they maintained a more powerful lobby in the city of Washington. We meet them in the corridors, we meet them on the elevators, we meet them downtown. I do not think they are aware of the fact that I know them, but I recognize a good many of them, and I know they are here. At no time have they been more active in the construction of spite lines into REA territory which they previously had refused to serve, for the purpose of destroying the efforts of the farm population to better their own condition.

We have had two such instances in my State. In one locality, in Moretown, the REA started construction of several miles of lines. The private-utilities company brought in all their men whom they could get from all over the State and built a line directly alongside the REA line, and the last I heard they were serving only three farms.

Another case arose in the southern part of the State, a case which is now in court, with the utility company defendant. In the small town of Windham there were

about 70 farms and rural residents who wanted to get electricity. They have wanted it for years. They had appealed to the private utility company, but they could not get it, their application being turned down every time. They made their last appeal last July, and were turned down again. They then signed up with the REA, and according to the charge made, which I think is true, the rural cooperative acquired a right-of-way for several miles of line. The cooperative cleared the right-of-way, and then the private-utility company rushed in men and started setting their poles in the right-of-way which had been bought and cleared by the rural electrification cooperative.

Fortunately, ex-Senator Gibson, whom many here know, returned to Vermont about that time and took up the cudgels for the rural electrification cooperative, and by suit and injunction stopped the construction of the private line on the right-of-way which had been acquired and cleared by the rural electrification cooperative.

Mr. President, that illustrates the situation which confronts us now. Propaganda against farm cooperatives is being distributed all over the country, in every town in the United States, and if we accept this amendment we will be aiding in destroying the effort of the farmer to help himself through rural electrification cooperatives.

Mr. President, I ask unanimous consent that the table to which I have been referring be printed in the RECORD in connection with my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Annual savings in the cost of power supplied to REA cooperatives attributable to REA allotments for generation and transmission

A. SAVINGS ACCRUING TO DISTRIBUTION COOPERATIVES THROUGH THE PURCHASE OF ENERGY FROM REA-FINANCED GENERATION-TRANSMISSION COOPERATIVES WHICH SUPPLY POWER TO MORE THAN ONE DISTRIBUTION COOPERATIVE

	Average rate of power companies before REA generating plant was considered	Present average rate charged to member distribution cooperatives by REA-financed generation-transmission cooperatives	Annual savings based on present amount of energy purchased by distribution cooperatives
Minnesota, North Dakota, and Wisconsin:			
Dairyland Power Cooperative	1.8	1.28	\$330,000
Rural Cooperative Power Association	1.8	1.14	92,000
Border Counties Power cooperative	1.8	1.50	3,600
Minnesota Power Cooperative	1.8	1.33	42,000
Iowa:			
Federated Cooperative Power Association	1.5	.00	110,000
Central Electric Federated Cooperative Association	1.5	.99	82,000
Total savings			659,600

B. SAVINGS RESULTING FROM REDUCTIONS IN THE WHOLESALE POWER RATES OF POWER COMPANIES, DIRECTLY EFFECTED BY REA ALLOTMENTS FOR GENERATION-TRANSMISSION FACILITIES TO SERVE MORE THAN ONE DISTRIBUTION COOPERATIVE

Cooperatives and power companies	Average rate of power companies before REA generating plant was considered	Present average rate	Annual savings to cooperatives based on present volume of power purchased
1. Texas:			
Brazos Transmission Cooperative and Farmers Generation and Transmission Cooperative:			
(a) Texas Power & Light Co.	1.12	0.56	\$137,000
(b) Southwest Gas & Electric Co.	1.28	.56	96,000
(c) Texas Electric Service Co.	1.25	.56	31,000
(d) Central Power & Light Co.	1.35	.70	65,000
(e) Gulf States Utility Co.	1.29	.825	16,000
2. Arkansas, Louisiana, and Oklahoma:			
Ark-La Cooperative; Kamo Cooperative; Western Electric Cooperative:			
(a) Oklahoma Gas & Electric Co.	1.2	.6	93,000
(b) Arkansas Power & Light Co.	1.25	.57	98,000
(c) Public Service Co. of Oklahoma	1.3	.70	30,000
(d) Louisiana Power & Light Co.	1.37	.80	23,000
3. Minnesota, Wisconsin, and North Dakota:			
Dairyland Cooperative and other generation and transmission cooperatives in those areas:			
(a) Northern States Power Co.	2.0	1.15	203,000
(b) Interstate Power Co.	1.5	1.15	42,000
(c) Otter Tail Power Co.	1.8	1.11	104,000
4. Iowa:			
Federated Cooperative Power Association and Central Electric Federated Cooperative Association:			
(a) Iowa Electric Light & Power Co.	1.2	.96	54,000
(b) Iowa Public Service Co.	1.7	1.13	41,000
5. Alabama:			
Alabama Electric Cooperative:			
(a) Alabama Power Co.	1.16	.8	53,000
6. Mississippi:			
Mississippi Electric Power Association:			
(a) Mississippi Power Co.	1.19	.8	81,000
(b) Mississippi Power & Light Co.	1.23	.56	49,000
7. Georgia:			
Georgia Electric Membership Corp.:			
(a) Georgia Power Co.	1.25	.8	269,000
(b) Georgia Power & Light Co.	1.25	1.01	31,000
8. South Carolina and North Carolina:			
South Carolina Electric Cooperative (Inc.):			
(a) Carolina Power & Light Co.	1.15	.75	90,000
Total savings in purchased power			1,606,000
Total savings from generation			659,600
Grand total annual savings			2,265,600

Mr. GEORGE. Mr. President, I do not care to discuss the amendment, but I may say I think it is unfortunate it is presented and I shall vote against it if a record vote is had on it.

Mr. REED. Mr. President, much has been said which has not very great relevancy to the question immediately before the Senate. Public utilities may be actively lobbying on the question before us. If so, they have not approached me. The only people who have tried to lobby with me on this question have been the farmers and the farm cooperatives.

I am standing here to defend the policy of creating the REA. I want the \$100,000,000 we are appropriating in the bill before us, and the \$250,000,000 which will be appropriated under the agricultural appropriation bill soon to come before us, to be used to put electricity on the farms. That is what we are trying to do. I do not want it used to install generating plants, unless there is a need for such plants.

It may be said they are never built except where they are needed. I propose to give the Senate an immediate example of what is going on today in the State of Kansas, and to call attention to the recent correspondence I have had with Administrator Wickard, whose representative came to talk to me this morning about this matter.

In 1944 the REA made an allotment of \$430,000 to build a generating plant at Great Bend, Kans. The War Production Board refused to give the project any material in 1944. They did get authority from the WPB later, in 1945.

Mr. President, let me analyze the power situation in that particular place. There is presently a generating capacity in that immediate area of 11,670 kilowatts. The maximum load in December 1945, was 5,980 kilowatts. There is a reserve of more than 5,000 kilowatt-hours of excess, unused energy. Why in the world should an additional generating plant be built in that community? The answer might be, "because of the present price of electricity." Very well. I wrote to Administrator Wickard from my home in Parsons, Kans., in December or January, calling his attention to this matter, and I received a reply when I returned to Washington. I received this letter signed by Claude Wickard, Administrator of the REA, dated February 26, 3 days ago, in which he takes up the question which I raised in a letter I wrote to him on the 22d of last month. Mr. Wickard said:

I do wish to agree with your general statement that the decline in war demands has left an excess of power over and above the requirements of certain areas in central Kansas.

And the area to which I refer is one of them. There can be no doubt about that. That leaves the question of price. My philosophy respecting the REA—and I have discussed it in the Committee on Appropriations time and again with those appearing on behalf of and urging appropriations for the REA—is that REA shall not set aside money for construction of generating plants unless farmers cannot buy ample power at reasonable rates.

In my letter to Mr. Wickard, which I wrote him from Parsons, Kans., I said that the major purpose of the REA is to get electricity on the farm, and that REA funds should be used for the construction of central energy plants only when the cooperative is unable to buy ample power at reasonable rates.

Mr. Wickard said in his reply to me, dated February 26:

I think that is an adequate summary of our policies in this respect and is essentially what I said in my remarks at Grand Forks, N. Dak., November 7.

Let me refer to the price factor in this immediate situation, and again I am reading from Mr. Wickard's letter of February 26.

You next state it to be your understanding that the cooperative could buy power at a lesser price than it can be generated for in a plant of the size being constructed.

REA is proposing to put in a 2,250-kilowatt plant. Mr. Wickard proceeds to say:

Our calculations, based on the installation of 2,250 kilowatts of generating capacity * * * show the average cost per kilowatt to be .873 mills.

Then Mr. Wickard proceeds to say that the cooperative now is buying power at .85 mills, which is less than their estimate, which I am assured by engineers is too low. In other words, when this plant is built, after spending \$430,000 on it, their estimate of the cost is .87 mills per kilowatt. The cooperative is now buying power at .85 mills.

Mr. President, I ask unanimous consent that a copy of my letter to Administrator Wickard under date of February 22, and his reply under date of February 26, may be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. HUFFMAN in the chair). Without objection, it is so ordered.

The letters are as follows:

FEBRUARY 22, 1946.

HON. CLAUDE R. WICKARD
Administrator, Rural Electrification
Administration, Washington, D. C.

DEAR MR. WICKARD: I have your letter of February 5, in reply to my letter of January 10, in which I raised the question of whether the allocation of funds for construction of a generating plant at Great Bend, Kans., was within the sound REA policy as contemplated by the law. Your letter is not convincing.

I do not care to go into many details of the situation existing in that territory through the war. Briefly, there was a shortage of power to meet requirements including an Army air base established near Great Bend. To overcome this deficiency, the War Production Board approved a 1,400-kilowatt addition to the Great Bend plant of the Kansas Power Co. in March 1944. In 1943, additions to the municipal plant at Larned, Kans., added to the total amount of power available.

Through these additions, plus the construction of additional transmission lines, provision was made for the maximum supply of power for the load during the war period. The decrease in power demands since that time has left a substantial excess of power available above requirements.

The WPB did not approve an allotment of materials for the cooperative plant in 1945. This was after the REA had made an allotment of \$430,000 on September 23, 1944.

This particular matter was before the Senate Appropriations Committee and was

discussed some time ago. I am aware that there was conflict between the cooperative and the power companies in that section over rates. I am familiar in a general way only, with what you call a dual rate contract. I have never reached any final opinion as to that matter.

My information, furthermore, is that the cooperative can buy power at a lesser price than it can be generated by a plant of the size being built. If that is not true I want to be corrected.

Your letter apparently does not question that there is an excess of power being generated in that area. Your letter discusses, rather vaguely, additional power requirements under a program for a substantial enlargement of the cooperative. I have no information save your vague general statement on that point.

Certainly, on the basis of my information, the allotment of money from the REA for this generating plant is not justified. I also understand your State representative did not approve it, and the cooperative went around him and negotiated directly with some members of your staff in order to obtain approval. If my information on this point is not correct I would like to be advised.

I have consistently supported the REA. With equal consistency I have tried to keep it within a sound policy with which you say you agree. Certainly, on my information, the allotment for this plant goes far beyond that policy.

I desire and request that you promptly correct me on any point where my information is in error. I am not content to let this matter rest on a basis of my present understanding of it.

If the REA is permitted to disregard the prime purpose of the law in this instance it will be encouraged to go ahead with other deviations in the policies created by the law governing the REA. If funds are to be allotted for the construction of a generating plant where there is no justification for it the REA is headed for insolvency. That is what I wish to avoid.

REA funds are not equal to satisfying the ambition of numerous enterprising cooperative managements. This seems to be a case of that kind.

May I have your prompt attention and advice?

Very truly yours,

CLYDE M. REED.

WASHINGTON, D. C.

HON. CLYDE M. REED,
United States Senate.

DEAR SENATOR REED: This is in reply to your letter of February 22 regarding the generating plant at Great Bend, Kans. In view of the action which was taken by the Senate Appropriations Committee yesterday with regard to REA generating plants, I am attempting to give you complete answers to the various questions you raise and get them to you in time so that you may consider them before the action of the Appropriations Committee is discussed on the floor.

Taking the questions up in the order in which you have raised them, I do wish to agree with your general statement that the decline in war demands has left an excess of power over and above the requirements of certain areas in central Kansas. Later in this letter I shall comment on the fact that this does not necessarily answer the problem of power requirements facing the Central Kansas Electric Cooperative Association.

You point out that REA made an allotment to the Central Kansas Electric Cooperative Association of \$430,000 on September 23, 1944, and go on to state that WPB did not approve an allotment of materials for this cooperative plant in 1945. Our records show that WPB approval for this project was given on July 21, 1945. Naturally, none of our funds was advanced without WPB approval.

You indicate that you are familiar only in a general way with what we refer to as the dual-rate contract and have reached no final opinion on the matter. Briefly stated, the dual-rate contract is a device which utilities, particularly utilities in Kansas, are using to prohibit cooperatives who buy their power from utilities from serving other than relatively small loads. The restrictive features vary as between utilities, but the effect is the same; that is, to reserve for the utilities all of the larger, better-paying power loads in a given area and relegate to the cooperatives service only to the small users. I am sure you appreciate the fact that the development of a power system in a given area under such circumstances is wholly uneconomic, and, in the long run, cooperatives coerced into the acceptance of such terms will not be able to complete the job of rural electrification. Under such restrictive circumstances it certainly cannot be argued that the mere physical availability of adequate energy at what might otherwise appear to be reasonable rates satisfies the requirements of an electric cooperative trying to develop a well-balanced, efficient power system to meet the needs of an entire rural area.

You next state it to be your understanding that the cooperative could buy power at a lesser price than it can be generated for in a plant of the size being constructed. Our calculations, based on the installation of 2,250 kilowatts of generating capacity with a yearly generation in 1948 of 7,200,000 kilowatt-hours, show the average cost per kilowatt-hour to be 0.873 mill. We have reason to believe that it will be possible to generate power at an even lower figure as the ultimate load is approached. It is true that the cooperative is purchasing approximately 90 percent of its power requirements at an average cost of 0.85 mill per kilowatt-hour. The other 10 percent of its requirements are costing all the way from 1.3 to 2.48 cents per kilowatt-hour. It should be noted that this higher priced power is not being purchased under contract inasmuch as the cooperative has been unwilling to enter into the restrictive type of 5-year contract demanded by the power company. The significant fact about this latter point is that the area in which the cooperative is paying 2.48 cents per kilowatt-hour is the area scheduled for the greatest future development—and incidentally the area from which it is currently receiving its most urgent requests for the extension of electric service—and represents approximately one-third of the ultimate area to be served by the cooperative. Under those circumstances the percentage of power purchased at this higher figure would, were the cooperative to continue to take service from K. P. & L., increase appreciably and, without question, bring the average cost of power to the cooperative considerably above the cost of generation at the Great Bend plant.

Thus, even though there may be an excess amount of power being generated in a part of the area being served by this cooperative, the fact remains that the area of greatest expansion is inadequately served and service to this area by Kansas Power & Light would demand the installation of extensive transmission facilities. There are 1,424 signed applicants for service with the Central Kansas Electric Cooperative Association which will require the construction of 872 miles of line. We can provide you with county maps showing the exact location of each of these applicants and we will be happy to do so if you so desire.

I am at a loss to know how to reply to your statement that it was your understanding that our State representative did not approve of this loan. We do not have State representatives. We do have field representatives operating on a regional basis and, to our knowledge, none of these representatives has ever indicated any lack of approval of this particular allotment. If you have any

other information to the contrary on this subject, I should like to be advised.

I am delighted to have this opportunity to provide this additional information which you requested and I am glad you raised these additional questions. I hope you will continue to do so until you are wholly satisfied that we are operating within the policies which you have supported in the past.

Sincerely,

CLAUDE R. WICKARD,
Administrator.

Mr. HILL. Mr. President, will the Senator from Kansas yield to me for a question?

Mr. REED. I yield.

Mr. HILL. The Senator is a distinguished member of the Appropriations Committee. When Mr. Wickard appeared before that committee in behalf of the pending appropriation did the Senator from Kansas go into this particular case, and does that appear in the record of the hearings?

Mr. REED. I may say to the Senator from Alabama that this particular instance came up for some discussion in the Appropriations Committee, I think 2 years ago. I am not a member of the subcommittee having in charge the deficiency bill. Therefore if Mr. Wickard appeared before the subcommittee I was not present. I was present in the full committee when the report of the subcommittee came before the full committee, and in the full committee there was no opposition whatever to the adoption of this amendment. It was adopted on a voice vote. There were probably 10 or 12 members present at the time.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. REED. I yield.

Mr. HILL. I have not had an opportunity to examine the hearings as carefully as I might wish to, but I have not seen wherein the committee really went into this question very fully, at least the phase of it raised by the Senator from Kansas. If the Senator will further yield to me, I wish to say that this amendment deals with legislation. It is a change in the fundamental law respecting the REA. Even if such a proposal should be written into the law, before that is done there ought to be hearings on the subject before the appropriate legislative committee, for it is a legislative matter and should be considered by a legislative committee. It ought not to be put into an appropriation bill, which is a sort of short-circuit method, when there have not been full hearings on the subject. The Senate should not be confronted with the proposal without hearings having been had upon it. As I said, it is a legislative matter, and it ought to be considered by the proper legislative committee if it is to be considered at all.

Mr. REED. Mr. President, I stand here in the interest of the true purpose of the Rural Electrification Administration, the purpose for which it was created and for which we have heretofore appropriated and for which we continue to appropriate great sums of money. I have supported everything in favor of the REA. But there is a group in the REA, as there has always been, that will cooperate with managers of cooperatives to build generating plants, not because they are needed, not because there is not

available sufficient power, not because the price asked is unreasonable, but to construct generating plants, in order to build cooperatives up to the highest possible degree, when the cooperatives themselves do not have to put a cent into the plants. When completed, the generating plant to which I have referred will have been built entirely with Government money in an area where there are already 5,000 kilowatts of surplus power. The proposed plant would produce only 2,250 kilowatts. The cooperative now is buying power there at a less figure than the estimate of the cost of power from the new plant, if the new plant should be built.

Mr. AIKEN. Mr. President, will the Senator yield to me for a question?

Mr. REED. I yield.

Mr. AIKEN. I ask the Senator from Kansas if it is not a fact that the rate which the private utility offered the electric cooperative, and which is slightly below the cost of generating from an REA plant in the area, is not contingent upon the REA keeping out of certain irrigation districts which are considered the cream of the territory, and without which the REA cannot adequately serve the rest of the territory?

Mr. REED. No; I will say to the Senator from Vermont that that is not so. This morning before I came to the Senate Mr. Carl Hamilton, from the Administrator's office, whom I have known and with whom I am very friendly, came over with a Mr. Taylor, also from the Administrator's office, and we discussed the conditions in the particular area. There is no such situation as the Senator from Vermont has described. I went into the matter with them fully. They asked that we go over it. They were very friendly. I have known Mr. Hamilton since he was assistant to the Secretary of Agriculture. I have done a great deal of business with him. We had a friendly conversation. I took the map they furnished. I drove over that territory within the last 18 months, and no such situation exists as the Senator from Vermont has mentioned.

Mr. AIKEN. I may say that my information comes from exactly the same source as the information which the Senator from Kansas has received. One or the other of us has not understood it correctly.

Mr. REED. I went into the matter in some detail to tell them that could not be true. They made some excuse for wanting to build this plant. I want to do Mr. Wickard justice. They said this allotment was made before Mr. Wickard took over the Rural Electrification Administration and that Mr. Wickard's policy was exactly as I have stated my policy to be here today; that they as well as I want to use the money appropriated for REA to put electricity on the farms, not to build generating plants where they are not needed.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. MAGNUSON. Is it not true that in the past not more than 8 or 9 percent of the total appropriation for REA has ever been used for generating purposes?

Mr. REED. That is approximately the figure.

Mr. MAGNUSON. Last year it was a little more than 9 percent.

Mr. REED. Last year it was in the neighborhood of 9 percent.

Mr. MAGNUSON. So the bulk of the money is being used for the very purpose all of us want it to be used for.

Mr. REED. I desire to leave this thought with the Senator from Washington: There is no Senator on this floor who is more friendly toward the purposes of the REA than am I. There is no Senator on this floor who has gone along with the REA further than have I so long as it has confined itself to its legitimate functions. The only objection I make is that there is now a tendency in certain groups in the REA and without the REA to utilize this money for the purpose of constructing generating plants, whether they are needed or not. I think some kind of a check should be put on the REA. I realize that this amendment is a pretty rigid check. If this amendment is in the bill as it goes to conference, then so far as I am concerned, if we can work out some sort of a definite understanding that the things of which I complain, and which I have directly illustrated to the Senate as going on now can be eliminated, and we can feel assurance of that fact, I shall be willing then in conference to drop the amendment.

Mr. MAGNUSON. Mr. President, will the Senator yield for a further question?

Mr. REED. I yield.

Mr. MAGNUSON. In the particular area to which the Senator refers are all the farmers being supplied with electricity?

Mr. REED. No. Construction of facilities is still in progress.

Mr. MAGNUSON. Is there not obviously something wrong if there is power and the farmers are not getting the lines?

Mr. REED. I do not think so. I do not see why the Senator should make such a statement as that.

Mr. MAGNUSON. The power companies have been in that area for years, and they have not served the farmers.

Mr. REED. Mr. President, I was chairman of the Public Service Commission of Kansas 25 years ago—

Mr. MAGNUSON. I am sure it was not the Senator's fault.

Mr. REED. At that time I started to discuss the question with the public utility representatives to see if ways and means could not be devised to work out some kind of policy to furnish electricity on the farms. I happen to have a fairly good-sized dairy farm of my own. Before the REA came along, I had to arrange personally, and at my own expense, to bring electricity to that farm.

The Senator from Washington must realize that even now, with the REA in operation for several years, the percentage of farmers who have electricity on their farms is still too low. But we are not going to get electricity on the farms by using \$430,000 to build a generating plant in an area where there is now available more power than can be used, and where that power is now being sold at a lower rate than the estimate based upon the cost of the proposed new plant.

The two young men to whom I referred came to see me this morning. I know Kansas, including that particular area, much better than they do. They had a great deal of misinformation. I do not know where they got it, but it was not correct. We discussed the question in a very friendly way.

Mr. President, I do not wish to detain the Senate, and I shall close by reiterating that I stand here as a champion of the correct purpose of the Rural Electrification Administration. We are appropriating hundreds of millions of dollars to put electricity on the farms, and not to build unnecessary generating plants. The construction of the proposed generating plant would cause an unnecessary diversion into that plant alone of \$430,000. Figuring the normal cost of rural electrification lines at approximately \$2,000 a mile, that sum would build 215 miles of transmission lines to take electricity to farms where it could be used. How many cases of that kind there have been, I do not know. I believe that there should be some check upon this practice in the Rural Electrification Administration.

Mr. LA FOLLETTE. Mr. President, I heartily agree with the remarks made by the junior Senator from Alabama [Mr. HILL]. This amendment should not be considered in connection with an appropriation bill. I grant that technically, under the precedents as they have been broadened and further broadened, it can be held that this is a limitation on the appropriation; but, in fact, it is a fundamental change in the substantive act creating the Rural Electrification Administration, and the amendments thereto. If any such change is to be made, it should be made as the result of hearings before the standing committee having jurisdiction over such legislation, where those who are for or against the amendment can have an opportunity to be heard.

One will search in vain the record of the Committee on Appropriations, which took the testimony on this bill, to find such a suggestion as this. I grant that some questions were raised concerning the policy of constructing generating plants; but so far as this specific proposal is concerned, which would amputate the right arm of the rural electrification cooperatives, there is not one word in the hearings which would put on notice either the Rural Electrification Administration or Senators who are genuinely interested in seeing this organization continue its beneficial service to the farmers of the United States. That is not proper legislative procedure; and every Senator who will stop to consider the question knows that I am stating the fact.

Mr. President, it is all well and good for Senators to rise and say how much they love the farmers, how much they love the Rural Electrification Administration, and that this amendment is in the best interest of the farmers and the extension of rural electrification in America. But every person who is familiar with the history of the activities of the power corporations before the Rural Electrification Act was passed, and

everyone who is aware of the policies they have pursued since it was enacted, knows that this amendment would take away from the rural electrification cooperatives and the Rural Electrification Administration a power which, when appropriately exercised, usually results in compelling the private power companies to give the cooperatives bulk power at reasonable rates. When the power companies are adamant and refuse, as they have done in several instances, even after the cooperative had been granted that bargaining power, the cooperatives have gone ahead and built plants and secured lower rates as a result.

I do not wish to burden the RECORD by repeating what the Senator from Vermont [Mr. AIKEN] placed in the RECORD. However, I am familiar with the Dairyland Power Cooperative and the other cooperatives in my own State. I know that unless that cooperative had the ability to construct plants it would have had to take power from the power companies at 1.8 cents per kilowatt-hour. Instead, it was able to obtain power at 1.28 cents per kilowatt-hour, which resulted in saving the Dairyland Cooperative alone \$330,000 a year.

The Senator from Washington [Mr. MAGNUSON] stated that he did not believe it was necessary to go into the history of this program; but apparently it is necessary to remind the Senate that before the REA was created and farmers were given the opportunity to band themselves together in cooperatives for the purpose of getting rural electrification, it was the policy of the power companies generally—with some exceptions, of course—to enter only territory where the return was lucrative, and to build lines at great expense to the farmers. It was the usual practice to require the farmers to pay rates which would cover the cost of building lines. There were other additional costs and charges, which made it very expensive for the farmers who were served. The power companies would go into a rural community, skim off the cream, so to speak, and leave the majority of farmers without any service whatsoever.

That situation became so prevalent that sentiment was built up in the Nation and among Representatives in Congress, and legislation was enacted to take care of the problem and give the farmers of America the benefits which come with electrical energy, heat, light, and power on the farms.

Any Senator who is familiar with the condition of rural areas before rural electrification, and who has gone into the same areas since knows that the character of the communities which have received this service has been transformed. Even if one could not see the power lines, he could see the change in the character and appearance of the farms after they were electrified.

We should move cautiously in connection with any substantive change in the law. I submit that there is not sufficient evidence before us to justify it. With all due respect to the Senator from Kansas [Mr. REED], who has investigated a certain project which was authorized several years ago, I say that even in that

situation we should have more than his testimony before we pass judgment upon the project.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McCLELLAN. Were there any hearings before the Committee on Appropriations on this question, to determine what the facts were?

Mr. LA FOLLETTE. I stated before the Senator entered the Chamber that this matter was handled in such a way before the Committee on Appropriations that no Member of the Senate who is not a member of the committee, no Member of the House, and no one in the Rural Electrification Administration knew anything about this specific amendment until it appeared when the bill was reported to the Senate.

Mr. McCLELLAN. Was not the amendment reported by the Committee on Appropriations? I understand that it is a committee amendment.

Mr. LA FOLLETTE. Certainly it was; but I say that unless the Senator has the privilege of sitting on that august committee, he had no notice. I received no notice. I have been in the thick of every rural electrification fight since the project was first proposed. If I had been given notice that such a proposal as this was to be considered by the committee, I would have appeared before the committee and requested an opportunity to be heard. But I did not know about it. No one could know anything about it except members of the committee.

Mr. McCLELLAN. We naturally assume, when a committee reports an amendment, that it was discussed.

Mr. LA FOLLETTE. I have no doubt it was discussed. I was told by someone else that the Senator from Kansas presented a statement, similar to the one he has made on the floor of the Senate, about the Kansas cooperative to which he has referred and which he claims is located in an area where there is a surplus of power and no justification for building a plant. But that is the only case of that sort which has come to my attention—if the Senator's facts are correct, and I know he believes them to be correct. Certainly there is no case of that kind in Wisconsin, and I am proud to be able to say that I believe Wisconsin in proportion to its population has one of the highest percentages of rural electrification line mileage of any State in the entire United States.

Mr. McCLELLAN. Mr. President, will the Senator from Wisconsin yield there?

Mr. LA FOLLETTE. I am glad to yield.

Mr. McCLELLAN. I know the Senator understands my position. I am seeking information about this matter.

Mr. LA FOLLETTE. Yes; I understand the Senator's position.

Mr. McCLELLAN. I am seeking information about it because the proposal is legislation; it is not an appropriation.

Mr. LA FOLLETTE. Of course, that is so.

Mr. McCLELLAN. As I understand the amendment, it would change the existing law.

Mr. LA FOLLETTE. There can be no question about that.

Mr. McCLELLAN. That is why I am trying to ascertain upon what basis the proposal is made or what evidence was presented in connection with it or what there is to sustain or substantiate the proposed change in the basic law.

Naturally, I like to go along with committees when I can do so—both the Appropriations Committee and others. I do not always do so, let me say to the Senator. But I am trying to obtain information and enlightenment upon this particular amendment and what prompted it to be recommended or inserted by the Appropriations Committee—whether it was based on hearings held and information obtained, or whether it was merely one of those amendments which someone offers and which are adopted in committee.

Mr. LA FOLLETTE. There was some discussion of this question, and of course it is perfectly legitimate to raise the question, whether the Rural Electrification Administration should approve the application of a cooperative for a loan for the construction of a generating plant in an area where reasonable rates can be obtained from an already existing private utility.

Generally speaking, I would say that is a sound policy; and, so far as I know, it has been the general policy of the Rural Electrification Administration.

There was a brief discussion between Mr. Wickard and the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Oklahoma [Mr. THOMAS] and the Senator from Georgia [Mr. RUSSELL], but the Senator can read that record until he is blue in the face and he will not find this amendment suggested in it. I submit that the Senator will not find from the record that Mr. Wickard could assume that the committee was about to consider or report such an amendment. There was no testimony before the committee regarding how long it would take the Power Commission to function in this kind of procedure.

I am sure the able Senator from Arkansas has tried some rate cases or participated in some of them when he was practicing law in his own State, and I believe he has some appreciation of the length of time required to settle the question of whether rates are reasonable, when the parties proceed under the procedures of a commission, which naturally has to hear both sides, take expert testimony, accept exhibits, and so forth. The Senator knows what happens.

Mr. McCLELLAN. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. McCLELLAN. I am trying to determine what has prompted the proposal to make a change in the basic law. I am trying to determine that question.

Mr. LA FOLLETTE. Very well; I can summarize for the Senator what the proponents of the amendment have said. The rub of the statement made by the Senator from South Dakota [Mr. GURNETT]—I think I am fair to him—was that he wished to have this money spent for the purpose of building lines into the rural areas; he did not want any of the

money to be spent for generating plants unless the parties interested had gone to the Commission and had gotten a determination that the power company was not offering a reasonable rate.

I think the Senator from Kansas [Mr. REED] stated he was basing his advocacy of the amendment on something which happened 2 or 3 years ago. He said he raised the question several times in the Appropriations Committee, and I am sure he believes in his facts and is sure of them so far as he is concerned. His contention is that the Commission authorized the construction of a generating plant which was not warranted because the farmers were getting a low rate from the power company.

The Senator from Vermont [Mr. AIKEN] stated that Mr. Wickard told him that that particular case involved several irrigation districts which represented the cream of the business in that community; that the other farmers were spread out over long distances and that the only way they were able to get from the power company the low rate which they are getting now was to agree that they would not take the irrigation district and the pumping systems into the cooperative.

Mr. McCLELLAN. Mr. President, will the Senator permit me to interrupt him again? I hope he will pardon me, and I am sorry if I interfere with the thread of his discourse.

Mr. LA FOLLETTE. No; I am glad to yield.

Mr. McCLELLAN. But I seek information. I am sure the Senator from Wisconsin appreciates my lack of information about the matter. Possibly other Senators find themselves in a similar position, since most of us are not on the committee.

Mr. LA FOLLETTE. I am not on the committee either, and I am as much in the dark about this matter as is the Senator from Arkansas.

Mr. McCLELLAN. I thought the Senator from Wisconsin was on the committee.

Mr. LA FOLLETTE. No. If I had been, I think I might have been able to insist on the making of some kind of a record.

There is not a word of testimony, so far as the Power Commission is concerned, regarding how long it would take them; but we can be very sure that any time there was any trouble, the power companies would take advantage of the situation and would delay the proceeding as long as they could.

The Senator from Arkansas knows that if a group of farmers organize a cooperative and then have to take 6 or 8 or 10 months to go before the Federal Power Commission in Washington and have a hearing, and then return, the cooperative in the meantime will have dissolved. That is what would happen.

Mr. McCLELLAN. Mr. President, if the Senator will further yield to me, I should like to make an observation. As a matter of administrative policy, possibly this amendment states a fairly sound general policy. But we have not legislated on that basis as yet. Regardless of whether the amendment states in a

general sense a sound administrative policy, it raises an issue which should be determined on the basis of proper and adequate hearings.

I do not know whether the amendment is properly worded. I do not know whether in its practical effect it would create conditions which would be impractical in carrying out the rural electrification program.

I think we should have more information about how the amendment would operate. That is why I am seeking information.

Mr. LA FOLLETTE. Mr. President, I appreciate the Senator's interest. Before he rose, I was going to say that this issue has been fought out before a legislative committee in the House of Representatives. As the Senator knows, a bill for a general revision of the Rural Electrification Act is under consideration before one of the committees of the House of Representatives, and perhaps it has already been reported to the floor of the House of Representatives. I am not currently informed as to that. But the committee has been taking a great deal of testimony on the question. The power companies have appeared before the committee, the REA has testified, and persons interested pro and con have testified. I say that is the way any legislative matter should be handled.

Mr. McCLELLAN. Is the hearing now in process?

Mr. LA FOLLETTE. Yes; it is now in process.

But, Mr. President, this amendment would be a "quickie" job. No doubt it was felt that if the amendment, under the guise of a limitation, was reported as a part of the bill and the point of order was overruled, it would afford a method of gaining the objective quickly and having it sewed up into the law.

Of course, the proponents might contend that this amendment affects only this particular appropriation, which is correct. But if I were in Mr. Wickard's shoes and if the Congress went on record as saying that, with regard to this large sum of money, it did not want any of it spent for the construction of generating plants until the matter had been reviewed by the Federal Power Commission, I think I would hesitate a long time before I would grant a loan for that purpose from funds which did not have this limitation on them.

The Senator knows that the Rural Electrification Administration has been swamped with requests. Of course, during the war it was necessary to go to the War Production Board and make a showing of absolute necessity to the war effort before it was possible to obtain any materials or before it was possible to get anything done. Consequently this backlog of demand has grown up.

So, Mr. President, it seems to me that the adoption of this particular amendment at this time would have a very unfortunate effect upon this program.

The Senator from Kansas said he wanted to get the Rural Electrification Administration back on its legitimate track, or words to that general effect. I wish to read from section 4 of the act, as amended:

The Administrator is authorized and empowered from the sums hereinbefore authorized to make loans to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts, and cooperative nonprofit or limited dividend associations organized under the law of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing of electric energy to persons in rural areas who are not receiving central station service—

And so forth.

Mr. McCLELLAN. That is the basic law which authorizes the appropriation.

Mr. LA FOLLETTE. Precisely; and I contend that under the law as it now stands this is a perfectly legitimate purpose for which the Rural Electrification Administration can make a loan.

Mr. McCLELLAN. With respect to the money provided in this bill, the proposed amendment would simply repeal the basic law insofar as it authorizes the building of generating plants.

Mr. LA FOLLETTE. Absolutely. The Senator from Arkansas has stated it better than I can.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I shall yield in a moment.

Mr. President, first let me say that so far as I know, as I have stated before, it has been the policy of the Rural Electrification Administration since it was established to grant loans for generating plants only in cases where it was either necessary to use such loans as a bargaining lever with a power company, so as to get the power company's offer of exorbitant rates down to a reasonable level, or, where that lever did not work, to permit the cooperative to proceed to build a plant.

If the Senator will read the testimony of Mr. Wickard, who is now the Administrator, which was given before the committee, he will see that Mr. Wickard stated four ways from the middle that it is his policy, and will continue to be his policy, to make loans only where they are necessary for use as a bargaining lever, or for the purpose of building a plant when it becomes finally evident that the private power company will not offer reasonable rates. I assert that this amendment takes a meat ax and performs an operation on the fundamental substance of the Rural Electrification Act. The only case which has been cited so far in the debate is the one cited by the Senator from Kansas, which occurred several years ago.

Mr. AIKEN. Mr. President, the Senator from Wisconsin referred to this proposal as "quickie" legislation. To show how "quickie" this proposal is, I wish to say that the amendment was called to my attention only about 20 minutes before 12 o'clock on the day the Appropriations Committee expected to bring it before the Senate for action. I immediately called Mr. Wickard to find out if the amendment had received his approval. I found that he not only had not been given an opportunity to testify before the Senate committee—the testimony which was referred to was given before a House committee—on this pro-

posed change in the basic REA law, but that he himself had no knowledge of the existence of this amendment which would change the REA law, until a few minutes before I had known of it. Of course, he never approved the amendment. As I have said, it was only about 20 minutes to 12 o'clock of the day on which the amendment was to be brought before the Senate that I learned of it. I asked the acting chairman of the Appropriations Committee to postpone consideration of the amendment until the following day, which he kindly agreed to do.

Mr. LA FOLLETTE. I may say, Mr. President, that I had practically the same experience as that had by the Senator from Vermont. I was anxious to have appear in the RECORD a statement justifying myself with the people in Wisconsin who are behind this program. I wished to make clear my reasons for not presenting to the subcommittee testimony in opposition to the amendment. I wished to show that I did not know that the amendment was under consideration.

Mr. MAGNUSON. Mr. President, I am glad the Senator brought up that point, because his situation is similar to mine. I am sure that I would have to make some justification with the people in Washington. The first time I ever heard of this amendment was yesterday when the bill was called up. The amendment incorporates not only "quickie" language, but the same slick language was used by private power companies for years to justify the continuation of electrification being furnished by them to the farmers. The case cited by the Senator from Kansas is an isolated one, but I think it is the best argument which could be made for not tampering with the act, because in spite of an excess of power, many farmers do not have electricity on their farms. I know that the Senator from Wisconsin agrees with me that there can be no such thing as an excess of electric power in this country until every farmer has his home electrified.

Mr. LA FOLLETTE. I agree with the Senator that every single cooperative which can be organized on a sound basis should be organized.

Mr. President, I wish to point out that the people of Wisconsin are proud not only of their great industrial output and contribution to the war effort but also of the great record which, under most difficult conditions, the farmers of that State made during the war. When labor was scarce, when the draft policy stripped the farms of young men, when machinery was difficult to obtain, and when parts for all machinery were equally difficult to obtain, the farmers met the situation in a magnificent manner. Many older persons who had retired from the farms returned to work on the farms in order to produce food and help win the war. I assert that unless the electrification program had been carried forward in Wisconsin and in other agricultural States in order to provide power and thereby save labor on the farms, the great production achievements which we made during the war, would not have been possible. In my opinion our war

effort would have been considerably hampered had we not made the progress in electrification which was made prior to the war and, in some few instances, during the war, in extending rural electrification to the farmers. Farmers are in a very difficult situation today because of the shortage of labor, and because of the wages which they are now required to pay for farm help. There is an additional argument for the extension of rural electrification: It is necessary in order that farmers may be enabled to reduce their cost of production.

I submit to the Senate that the pending proposal is not the proper way to undertake to amend the rural electrification act. I would be opposed to the amendment if it came from a standing committee of the Senate, but I certainly feel justified in opposing it when there is no testimony in the record to support it.

Mr. FULBRIGHT. Mr. President, I understood the Senator from South Dakota [Mr. GURNEY] to say in his initial statement that there were instances of several REA generating plants having been constructed when it was possible to purchase power at a rate cheaper than could be obtained by constructing the plants.

Mr. MAGNUSON. The Senator stated that there were several instances in the Pacific Northwest where the REA had gone into small towns and villages of less than 5,000 population. Am I correct in that statement?

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield. I prefer that the Senator from South Dakota answer the question.

Mr. GURNEY. I did not, perhaps, make an accurate statement. I should have said the Central West. I do not know about the Pacific Northwest. Probably there are such instances there also.

Mr. MAGNUSON. Instances were given of municipal plants having been purchased in small communities. But the reason for purchasing municipal plants was that they were the only source from which power could be furnished to the surrounding areas.

Mr. LA FOLLETTE. That is my information.

Mr. FULBRIGHT. Did the Senator from South Dakota have in mind any substantial number of cases in which the REA had built a generating plant when electricity was already available at reasonable rates?

Mr. GURNEY. I did not intend to bring out on the floor of the Senate actual instances, but there are plenty of them. Information on that subject has been presented before the committee, and has been in the hands of the committee ever since I have been a member of it.

I do not believe that Congress intended that money which was appropriated for the REA should be used to buy municipal plants. Why did not the REA cooperative in the instance given make an arrangement with the municipal plant to buy the electricity? If that had been done more money would have been available for use in extending the power lines farther, and thereby serve more farmers.

Mr. LA FOLLETTE. I cannot answer the question as to any specific cases, but it is perfectly apparent that there are situations in which it would not be necessary to do what the Senator has suggested. In extending lines and service to the point where electricity is needed, the Rural Electrification Administration sometimes finds itself in the same position in dealing with municipal plants that it finds itself in when dealing with private power companies. It may not desire to serve the area involved if it is not highly productive in revenue.

Mr. FULBRIGHT. I wish to cite as an example a small town near my home which I think is typical of small towns of approximately 1,200 population. The municipality was not financially able to improve the plant and make it sufficiently large to serve all those who desired to use electricity, and very willingly and gladly sold the plant to the REA in order that the REA could serve, not only the municipality but the surrounding territory as well.

Mr. President, I am impressed by the fact, as the Senator from Wisconsin has pointed out, that there is nothing in this record that we can find which will justify the proposed change. As the Senator has said, the matter was brought before the Senate out of purely thin air.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me in order that I may make a short statement?

Mr. LA FOLLETTE. I yield.

Mr. THOMAS of Oklahoma. There is no issue here, so far as I can see, about the rates for power. The evidence before the committee shows that the rural electrification cooperatives are getting power at about 6 mills per kilowatt-hour.

At the present time there are three separate Federal agencies asking for public funds with which to build power plants in my State and in my section of the country. For example, there are the United States engineers asking for money to build flood-control dams, with the development of power as an incident. In my State the United States engineers are now engaged in building flood-control dams and power plants in connection with such dams. We already have one on the Red River at Lake Texoma, and now a second power plant is being built by the Government under the engineers' supervision at Fort Gibson, Okla.

So now we have the United States engineers in our section of the country building flood-control works, with power development as an incident.

Second, there is on the House side of the Capitol at this time hearings being held by the Committee on Appropriations on the Interior Department appropriation bill, wherein the Southwest Power Division, a Federal agency, is asking for some \$23,000,000 with which to start a program of constructing steam-power generating plants in Oklahoma and in our section of the country.

If the \$23,000,000 is appropriated for this second Federal agency that will be followed, as soon as those interested can get the ear of the Congress, by additional requests running into hundreds of millions of dollars. Now the evidence

shows that the REA is using some 9 percent of its funds with which to build steam generating plants. No one complains about the building of such plants where necessary to provide REA cooperatives with power, because they must have power to serve their members.

This statement is to direct the attention of Senators to the fact that we have today three Federal agencies asking for funds with which to build plants to produce electricity. If the Congress provides funds for each of the three agencies for constructing such plants, then it seems to me to be in the public interest to have some Federal agency supervise this activity to see that plants are not duplicated and that public funds are used to build plants to produce electricity only where needed.

I think the Federal Power Commission should be authorized to correlate these three groups, and to see to it that they do not duplicate the activities of the others.

Such a program would, in my opinion, be helpful to the REA.

Should the Federal Power Commission recommend the construction of a plant to serve the REA, then I feel certain that the Congress would not hesitate to provide the funds for such purpose.

Mr. LA FOLLETTE. It is the obligation of the Administrator of the Rural Electrification Administration to grant a cooperative a loan only in cases where he thinks the cooperative is organized on a sound basis, and can repay the loan. It is as obvious as a pikestaff that no Administrator in his right mind is going intentionally to build competing plants which cannot possibly contribute to the success of the cooperative, and may sink it. Certainly, the REA cannot build generating plants and compete with power which is incidental to navigation and flood control and for which the rates are exceptionally low, and no such plant will ever be built so long as the man who is operating this agency is outside of an asylum for the feeble-minded; so that argument does not appeal to me at all.

There is no possibility of the Rural Electrification Administration authorizing a cooperative of farmers to borrow money to build a Diesel plant and generate electricity when they can buy it from a high line or at the bus bar of a Government multipurpose dam, where they can get it for 5 mills, as the Senator says. That argument does not hold any kind of water, so far as I am concerned.

In conclusion, Mr. President, let me say that, so far as I am concerned, the amendment before the Senate cannot be dressed up so as to make it appear to be anything except a proposal which will have the effect, intended or otherwise, of crippling the Rural Electrification Administration, and of depriving the farmers who organize themselves into cooperatives of the bargaining power whereby they may secure reasonable rates from public utility companies. If we make it difficult for them to obtain such bargaining power, we have gone about as far as we can in crippling the extension, indeed, about as far as if we denied it to them, because, as I said a few moments ago,

though I do not know what the average size of a cooperative is—a few hundred, perhaps, or less—when a cooperative is organized its officers then get in touch with the Rural Electrification Administration, and surveys are made. When they reach the point where they have to bargain with the private utility, and as every Senator knows is often the case, it refuses to give them a reasonable rate. If the pending amendment becomes a part of the law, the case can be brought to the Federal Power Commission, and action delayed interminably. In many cases the farmers will be caused expense. They will have to hire a lawyer; they will have to come to Washington; they will have to bring their engineers to prove before the Federal Power Commission that the rate is unreasonable. How long would a small cooperative of a hundred or a hundred and fifty or two hundred farmers hold together under such circumstances? This is just the kind of amendment which the power companies will utilize to the utmost to delay and prevent the cooperatives from being successful in obtaining rural electrification.

I say, Mr. President, in all good conscience, we should not retard this great service to the farmers of America, needed now as never before except in wartime, without careful consideration, and it certainly should not be done by way of a rider on an appropriation bill, which never was presented in the testimony, and which no Senator not a member of the committee had any notice of before the bill was called up for consideration on the floor of the Senate.

Mr. BILBO. Mr. President, I realize this subject has been pretty thoroughly discussed, but I wish to register my opposition to the amendment, along with the opposition of the people of my State. There are between 20 and 25 REA associations in Mississippi, and I have about 25 telegrams here which bitterly oppose the pending amendment.

I want my colleagues to understand that in Mississippi there is not a single, solitary, generating plant built by the REA, but those who are operating the plants in Mississippi know what this amendment would do for them if they undertook to make a contract for rates with the utility interests of Mississippi, the power trust.

This is the substance of the telegrams:

Hope you will oppose Appropriations Committee amendment to REA's urgently needed deficiency appropriation bill. Amendment to restrict generation will hinder our negotiations for wholesale rates and be a step in wrong general direction, and expression of your attitude on this will be appreciated.

COAST ELECTRIC POWER
ASSOCIATION.
C. C. FERRELL, Manager.

Mr. President, the REA Act was passed 10 years ago, in 1936. The REA is today furnishing electric light to millions of American citizens throughout the entire Nation. I think in every State of the Union, except possibly one or two, people are enjoying the benefits of this service.

During these 10 years the basic law has provided that the directors of a cooperative association, or a group of such associations, may make application to the national director, who investigates and decides whether it is necessary to build a

generating plant. It is done at the expense of the associations themselves, and their directors are presumed to use good judgment in deciding whether the investment will be self-liquidating.

Mr. FULBRIGHT. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. I yield.

Mr. FULBRIGHT. The Senator says they are presumed to use good judgment. Is it not a fact that the rural electrification associations have been remarkably successful and have not been a great financial drain on anybody? Is not that true?

Mr. BILBO. Exactly so. I am glad to say that only about 9 percent of the money which has been appropriated for this purpose has been used in this period of 10 years to build generating plants.

What disturbs the people of my State is that they know that if this amendment is put into the law, and it is made necessary for applicants to come to Washington, to the Power Commission, with all the opportunities for litigation, lawyers, delays, and so on, the associations will have lost their bargaining power, they will have lost the club they can forever hold over the power companies in the effort to get decent and reasonable rates.

Mr. Wickard, or any other director who has sense enough to hold a job of that magnitude, along with the other directors, will not build a generating plant so long as there is adequate power available, and so long as the farmers can get reasonable rates.

Mr. McCLELLAN. Mr. President, will the Senator from Mississippi yield?

Mr. BILBO. I yield.

Mr. McCLELLAN. The Senator made the statement that up to the present, in the period of 10 years, only 9 percent of the moneys appropriated by the REA have been used for the purpose of building generating plants.

Mr. BILBO. I think that is the correct figure.

Mr. McCLELLAN. I do not know whether the Senator is on the Committee on Appropriations—

Mr. BILBO. I am not.

Mr. McCLELLAN. But I should like to ascertain if during that period of time, in the expenditure or use of that 9 percent of the funds, there have been any cases of abuse of discretion in granting loans for that purpose. Is there evidence of any such cases? I grant that there might be poor judgment used sometimes by anyone exercising discretion, or vested with the power of decision, but is there any evidence of any general abuse of this authority in the execution of the rural electrification program? Is there any charge of anything like that? Is there anything before the Congress or before the committees of Congress to indicate that there has been a general abuse of the powers granted?

Mr. BILBO. I am not a member of the Committee on Appropriations, but I am a member of the Committee on Agriculture and Forestry, and the REA and its activities were pretty well aired in the hearings on the question of the confirmation of Aubrey Williams to be Director. In all the hearings in which I have taken

part I have never heard any complaint about any abuse by the Rural Electrification Administration in the building of generating plants anywhere in the country. There may be exceptions. There may be a case here and there where it is possible that abuses may have occurred, but in the entire Nation I have not heard of any.

Mr. McCLELLAN. Allowance should be made for an isolated case in a program of this magnitude, but what I mean to say is that there has been no general charge of such abuses during the 10-year period.

Mr. BILBO. That is correct, and I am glad to report that in Mississippi, with I think about 20 or 25 associations—perhaps more; I do not know the exact number—only one association has had any trouble or has had a deficit. That was brought about by the OPA. There was a locker system in connection with the unit, and the OPA refused to permit the unit to charge a decent rate for operating the refrigerators, and that put the organization in the red.

The question I wanted to ask the acting chairman of the committee is whether any testimony had been taken before his committee showing the need of the proposed change, after we have made a success of this REA for a period of 10 years?

Mr. McKELLAR. Mr. President, there was a great deal of testimony respecting it, but I think the greater part of it came from the Senator's colleagues in the Senate. I have forgotten how many testified, but quite a number did.

Mr. BILBO. There was no testimony on this amendment?

Mr. McKELLAR. There was no testimony from witnesses other than Senators who are members of the committee.

Mr. BILBO. And who are interested in the matter. I am sure my colleague, the Senator from South Dakota, did not appreciate just what he was doing by this amendment, because I think I can say with assurance that the law, as it is now written, which gives the Director of the REA and the directors of the units the power, when they cannot secure reasonable rates, to decide whether to build a generating plant has saved to rural American citizens millions of dollars. It has provided a great saving to those who are paying for this service. It has and is helping them to get electricity at such rates as to make them able to keep their accounts current, and it will enable them to be self-liquidating. But if we adopt this amendment it will cost millions of dollars to those who are now enjoying the benefits of REA throughout the Nation, because every power company which is furnishing electricity will at once begin to raise the rates, knowing that it can block establishment of generating plants.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. McKELLAR. The Senator from Mississippi says he is in favor of furnishing electricity for the population in the rural areas. I know he is, and I am glad he is. I wish to say that I have voted for every rural electrification bill that has ever been passed by the Congress, because such bills began to be passed by

the Congress after I came here. I voted for all of them, and I have been very strongly in favor of such measures, and still am. But the committee in adopting the amendment was more interested in building electric lines for the rural population than it was in affording utility companies the opportunity to sell their power. If power can be generated and sold at reasonable rates why expend in building power plants a large portion of REA's money which ought to go into the building of power lines for the benefit of the people? That is the only question in connection with this amendment. If the Senator is in favor of giving a bonus to interested parties, if he wants to do that, surely he should vote against this amendment. But if he is in favor of providing electricity for the rural population, and that is what I am in favor of, he should vote for the amendment.

Mr. President, I was born in a rural section and I am proud of it. I think the people in such areas ought to have all possible advantages, especially the advantage of electric light wherever it is possible to furnish it. So far as I know, during the 35 years I have been in Congress I have voted for every single bill ever proposed, designed to help the rural population obtain electricity for light, and other things, because power lines carry the current which operates devices and machines of many kinds. All manner of advantages go with electric power. This money ought to be spent for the purpose of building lines to provide power, and not for the purpose of building plants. I am in favor of furnishing electricity for the rural population, and not for giving bonuses to others who may be interested.

Mr. BILBO. In response to the Senator's observation, let me say that there is not a home in America which could not get electricity if the home owner were able and willing to pay the price. We do not need an REA to get electricity into the home. But what we are trying to do is to furnish electricity to the people in the rural areas at reasonable rates.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him again?

Mr. BILBO. Yes.

Mr. McKELLAR. That was the same question that the private power companies brought up when we had to sweat so much blood in order to succeed in the effort to build such plants as the TVA. They raised the question, "Why have the Government do it when many private utility companies are able to furnish it. Of course they charge a good price but that is all right. Somebody must prosper." But we persisted until we had built the TVA and other similar plants, to the enormous advantage of everyone who lives in the country districts and receives these benefits. I, for one, want to extend in every way possible the advantages of electric light and electric power to the homes and farms of those who live in the rural areas. For that reason I favor this money being spent for lines rather than for power plants.

Mr. BILBO. I regret the Senator's observation was not responsive to my statement.

Mr. McKELLAR. I regret it, too, if the Senator feels that way. I join in his regret.

Mr. BILBO. The point I am making is, and I will repeat it, that there is not a home in America that could not get electricity if the home owners were able to pay the price. I lived 6 miles from the line a few years ago, and it cost me several thousand dollars to have my home electrified, because I had to pay the power company large sums to build the line to my home, and I have been paying tribute to the Power Trust ever since. I am not on an REA line myself. I wish I were.

The further point I am making is that only 9 percent—the Senator from Tennessee, I think, was not present when that statement was made—of all the money which has been spent for the REA service in America has been used to build generating plants, whereas the money saved to the people who are paying for the electricity amounts to a great deal more than 9 percent. If it is really desired to help the country people, if we give them this bargaining power—I will call it a club over the heads of the power companies, to make them give the people decent rates—it will result in saving the people millions of dollars more than will ever be spent in the construction of generating plants.

So I am anxious to see an extension of REA service throughout the country, and I know that in voting against this amendment I am not going to interfere with the extension of that service, because REA has been in existence for 10 years, and during that 10 years only 9 percent of its money has been spent for construction of generating plants, in cases where the rates were unreasonable, or where the power was inadequate to serve those who constituted the subscribers to the units.

Mr. McKELLAR. Mr. President, will the Senator yield again?

Mr. BILBO. Yes.

Mr. McKELLAR. I wish to read a telegram from one who is on the Senator's side of the question. A great furor seems to be raised about this amendment. The one who sent me the telegram is here in Washington. Whether he was ever in Tennessee I do not know. But listen to the reading of the telegram, and his reference to the feeling in Tennessee. Of course, in his view, I, a Senator from the State of Tennessee, know nothing about Tennessee; I do not know what the people of Tennessee are for or against, or anything of that sort. But this man knows it all. Listen to what he says in a telegram addressed to me at the Senate Office Building:

We are advised that Senate Appropriations Committee amendment urgent deficiency bill H. R. 5458 to prohibit the use of any of the \$100,000,000 REA item for generating plants until Federal Power Commission has determined that power in area is not sufficient at reasonable rates. This restriction would result in endless delays.

Just think of that. The power is available there now, and can be obtained at a reasonable price. People can get it now if the REA will put in the line to reach the poor farmer who lives out in the country. The rural population can

get the power now. But here is a man who telegraphs me that the adoption of the amendment will bring about endless delays. At one time I had the good fortune—or misfortune—to help build an electric-light plant in which I was interested. My recollection is that nearly 12 months were required to complete the plant. But that is a delay according to this man. He could build it in 12 minutes, or 12 seconds. Let me read further from the telegram:

This restriction would result in endless delays. The rural electric leaders of your State are strongly opposed to this restriction. Urge you not approve Senate committee amendment.

CLYDE T. ELLIS,
Executive Manager, National Rural
Electrification Administration.

That man is on the other side. I have read his telegram to the Senate in order to point out that frankly I do not believe that the rural electric leaders, or any others in my State, are opposed to this amendment. They have not communicated with me, and I believe they know how to do it.

Mr. BILBO. I doubt whether they have heard about the amendment.

Mr. McKELLAR. They may not have heard about it; but they have a remarkable way of finding out things about which they wish to communicate with Senators, as every Member of the Senate can testify.

The truth is that someone in Washington is very much opposed to the amendment. Why? Because it is desired to spend a large sum of money in building electric-light plants which are not needed. The money would not be used for furnishing lines for the benefit of the country people who need the electricity.

Mr. President, the members of the committee who were present voted unanimously in favor of this amendment; and there was a goodly number present.

One's attitude on this question depends on whether he is on the side of the electric power user, the countryman who needs the line, or whether one is more interested in seeing new plants built. The whole rural-electrification program was started for the benefit of the farmer.

Mr. BILBO. Mr. President, I should like to ask the Senator from Tennessee a question. What does the Senator suppose is the attitude of the private power companies in reference to this amendment?

Mr. McKELLAR. Frankly, I have not heard from the power companies.

Mr. BILBO. I did not ask the Senator that question.

Mr. McKELLAR. Nor have I heard from those who are opposed to the power companies.

Mr. BILBO. That is not what I asked the Senator.

Mr. McKELLAR. I know of my own knowledge that there has been considerable propaganda to defeat this amendment since it was reported by the committee.

Mr. BILBO. The point I am seeking—

Mr. McKELLAR. If the Senator will be equally frank, he will say that people

have been communicating with him to persuade him to vote against the amendment. We hear such propaganda everywhere.

I do not believe that we ought to legislate by propaganda. I am one of those old-fashioned persons who believe that the American people have chosen their representatives in this body, and that their representatives, rather than those sent here by special interests to lobby, should legislate. I think it is a reflection upon us when an amendment such as this is opposed.

Mr. BILBO. Mr. President, the Senator from Tennessee did not answer my question.

Mr. McKELLAR. I regret it. I apologize to the Senator. I am trying to answer his contention, whether I answer his question or not. The Senator's contention is that we ought to spend this money for building power plants which are not needed.

Mr. BILBO. No.

Mr. McKELLAR. I am opposed to that. I am on the other side. My committee unanimously upheld that position.

Mr. BILBO. Let me ask the Senator—

Mr. McKELLAR. We are for the people who need these facilities.

Mr. BILBO. Will the Senator answer my question? Let me repeat the question.

Mr. McKELLAR. Very well.

Mr. BILBO. I asked the Senator for his opinion. I did not ask him what lobbyists had said. In the Senator's honest opinion, what would be the attitude of the power companies with respect to this amendment?

Mr. McKELLAR. I have not the slightest notion.

Mr. BILBO. The Senator has no notion?

Mr. McKELLAR. I have no notion. I have never discussed the question with representatives of any of the power companies. I do not know.

Mr. BILBO. I am pleading for the people who have to pay for the REA electric service. If we make it possible to delay the construction of generating plants, and require the farmers to go first to the REA, and then to the Power Commission, with all the lawyers who will be engaged to fight the various applications it will be weeks, months, and years before the people back yonder who are trying to escape the high rates of the power companies can obtain relief, and it will cost them millions of dollars. That is what the telegram which the Senator read referred to, when it spoke about delays.

Mr. McKELLAR. I should like to ask the Senator about this telegram. Who is Mr. Clyde P. Ellis?

Mr. BILBO. I do not know him.

Mr. McKELLAR. Does any Senator know him? Is he one of the Government lawyers?

Mr. McCLELLAN, Mr. HILL, and Mr. FULBRIGHT addressed the chair.

The PRESIDING OFFICER. Does the Senator from Mississippi yield, and if so, to whom?

Mr. BILBO. I yield first to the senior Senator from Arkansas.

Mr. McCLELLAN. Mr. Ellis is a former Member of Congress. He is from my State. He is now the head of the Rural Electrification Association, an association of cooperatives.

Mr. McKELLAR. The telegram says "National Rural Electrification Administration." Does that mean the Government Administration?

Mr. McCLELLAN. I do not know what the word "Administration" means.

Mr. McKELLAR. Or does it mean something else?

Mr. McCLELLAN. The association is an association of cooperatives, organized under the REA Act.

Mr. BARKLEY. And Mr. Ellis has been selected by those cooperatives as executive secretary of the entire association in the United States.

Mr. FULBRIGHT. He is not a Government employee.

Mr. BARKLEY. No; he is not.

Mr. McKELLAR. I am glad to know that.

Mr. BILBO. He is merely trying to protect the interests of the cooperatives.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. HILL. The REA cooperatives, the farmers who own, operate, and administer the REA cooperative systems, have an association of cooperatives, and Mr. Ellis works for that organization. I do not know whether he is called the executive secretary, director, or what; but he is the man who works for and represents the farmers themselves, who are today members of the REA cooperatives. Is not that true?

Mr. FULBRIGHT. That is correct.

Mr. McKELLAR. Mr. President, I should like to ask the Senator from Alabama a question.

Mr. BILBO. I am glad to yield.

Mr. McKELLAR. When these plants are built, do they become the property of the cooperatives?

Mr. HILL. They do. The Government lends the cooperative the money to build the plant, just as the Government lends the cooperative the money to build the lines. The plants become the property of the cooperative, and the cooperative pays the money back to the Government. That is what happens.

Mr. BILBO. The cost of the generating plant is liquidated by increased rates. That is a part of the cost.

Mr. McKELLAR. Increased rates?

Mr. BILBO. Yes.

Mr. McKELLAR. And no one has control over those rates?

Mr. BILBO. Yes.

Mr. McKELLAR. Who has control over them?

Mr. BILBO. The board of directors.

Mr. McKELLAR. Of course, the board of directors of any corporation has control over the affairs of the corporation.

Mr. BILBO. They can pay for the building of their lines, for the poles, wire, and generating plant, and still save money as compared with paying the rates which the power companies charge them.

Mr. HILL. Mr. President, the distinguished Senator from Tennessee has been a strong friend of the REA and the

REA cooperatives; but the difficulty is that the distinguished Senator's committee adopted an amendment without going into the facts and without really knowing just exactly what the generating plants have done for the cooperatives and for the benefit of the farmers.

It so happens that on the 21st day of last November there was a hearing before the House Committee on Agriculture on a bill embodying certain amendments to the basic REA Act. At that hearing the committee went into the very question of what the generating plants mean to the farmers, so far as getting electricity into the farm homes for the benefit of farm families is concerned. Mr. Wickard, as head of the REA, testified. He was examined by various members of the committee. He submitted to the committee the facts, which showed, in case after case, that the farmers were able to get cheaper power rates because of the provision in the law permitting the REA to lend money to the REA cooperatives to build generating plants. The record developed at that hearing showed that time and again the authority placed in the law by the Congress to enable the power cooperatives to build generating plants has enabled the REA cooperatives, the farmers, to get cheaper power rates.

Mr. FULBRIGHT. Mr. President, I realize that there is not much that I can add to this discussion; but I wish to go on record in opposition to the amendment.

I am particularly impressed by the arguments of the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Alabama [Mr. HILL]. It seems to me exceedingly unwise to take action on an amendment of fundamental importance which obviously has not had the benefit of consideration by a legislative committee. I am perfectly willing to agree that some Senators discussed the subject, but it is evident that no testimony, in the usual sense of the word, was presented to the committee regarding the advisability of this amendment. Personally, I believe that it would cripple the REA in the development of its program, and particularly in the achievement of reasonable, and lower, rates.

Mr. BARKLEY. Mr. President, I wish to add only a word or two. I regret exceedingly that I find myself in opposition to an amendment reported by the committee and sponsored—or at least defended—by my good friend from Tennessee, the acting chairman of the Committee on Appropriations. However, I am opposed to the amendment. I have not had a line from anyone in my State, or anywhere else, so far as I know, with reference to the amendment. I do not know whether the rural electric cooperatives in my State have learned about it. It was reported from the committee only 3 days ago, and evidently there was no advance notice of it and no hearings on it in the committee. It would not be strange if during the short space of 3 days the Rural Electrification Administration and the cooperatives in the States had not had an opportunity to acquaint themselves with the problem or with the effort, as I regard it, against their expansion.

We inaugurated the Rural Electrification Administration in order to bring electrical power to farmers. Until the REA was instituted, vast sections of the United States had no electrical facilities whatever, and the private power companies which operated within the cities would not go out into the country. They did not have to go there and they did not go. They began to get a little busy in that regard when the REA was established by the Congress. I am informed that since the establishment of the REA and the formation of cooperatives under it and the building of transmission lines, with their poles and facilities, out into the country, some of the private companies have run lines parallel to them in order that they might undertake to drive the cooperatives out of existence. I know that has happened in some sections of the country. The private power companies did not have to go to the Federal Power Commission in order to obtain consent to build a generating plant from which they would run along highway transmission lines which might tend to put a cooperative rural electrification association out of business. They do not have to obtain any consent of that kind from the Federal Power Commission. They do have to come to the Federal Power Commission if they wish to erect a dam for power purposes across a navigable stream, and we have authorized the Commission to grant consent permits for that sort of thing. But they do not have to obtain consent from the Federal Power Commission to build a generating plant, even though the plant is for the purpose of enabling them to run transmission lines along a highway, parallel to and in competition with lines of an REA cooperative already in existence.

So it seems to me that this amendment offers an additional handicap to the building of REA cooperative lines. The amendment applies to the right to build generating plants from which electricity will be sent along those wires.

The money obtained by the cooperatives from the Rural Electrification Administration is not a gift; it is a loan. The cooperatives have an excellent record in regard to the repayment of the loans they have obtained from the REA, and they pay interest on the loans they obtain. As has already been indicated, only 9 percent of the money they have borrowed in that way has been used for the building of generating plants.

Why is it desired to have these small electric cooperatives, which are made up of farmers all over the United States, come hot-footing to Washington in order to obtain consent from the Federal Power Commission to build a small generating plant somewhere? It seems to me that, regardless of the intention of the committee—and I cast no aspersions whatever upon the motives of the committee—I am satisfied that the committee thought the amendment was a wise provision, or else it would not have voted for it, and I am sure the Senator from Tennessee is a friend of the extension of electric power to the farmers—it is amazing how the REA has brought to the farmers and rural areas electricity which they would not otherwise have had. Certainly they

would not have had it if it had not been for the creation of the Rural Electrification Administration.

Now to put this handicap in their way, so that they could not expand unless they should come to Washington and obtain the consent of the Federal Power Commission to build a generating plant or unless they should enter into a contract with a private power company to buy power from them, it seems to me would be a mistake. The ways I have just mentioned are the only ways they can expand their operations. It seems to me we should not throw this obstacle in their way; we should not hobble them by requiring that they come to Washington and obtain consent from the Federal Power Commission to build a generating plant somewhere in the United States in order to serve farmers and their wives and children.

For that reason, Mr. President, I am opposed to the amendment.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. The amendment would put a hobble on them and it would impede them and harass them. We must realize that in dealing with these cooperatives we are not dealing with large corporations which have high-priced lawyers and lobbyists and representatives who come to Washington. The fact is that the adoption of this amendment would discourage the REA cooperatives and groups of farmers from going forward with their programs throughout the country. Is not that true?

Mr. BARKLEY. Yes; it is true. The people who are concerned with these matters are not wealthy. They are humble farmers, living on farms. They wish to have electrical power in order that it may no longer be necessary for the housewives to spend hours bent over washboards or washtubs. They wish to have electric power so that they may use washing machines which can be connected with an electric line and thereby eliminate much of the drudgery from housework on the farms. Of course, we should not do anything to prevent that.

Mr. HILL. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. HILL. Of course, it is our obligation to make sure that the loans made for these purposes are sound, but it is true, is it not, that practically all the money that has been borrowed by the cooperatives has been paid back with interest?

Mr. BARKLEY. Undoubtedly it is true.

Mr. HILL. And is it not also true that only 9 percent of the money which has been borrowed has been used for the construction of generating plants?

Mr. BARKLEY. That is also true. But the generating plant is an integral part of the facilities. It does no good to erect electric-line poles and construct the transmission lines unless it is possible to generate electric power and thus have the juice to send over the transmission lines.

Mr. HILL. Not only is it necessary to generate the power, but it is necessary

to have a fair rate for the power, so that the farmers can purchase it.

Mr. BARKLEY. Of course, all those questions are involved in the program. Obviously it is necessary to have rates which the farmers can pay.

Mr. President, I cannot avoid the suspicion, which is justified by the experience we have had since the establishment of the REA, that in many communities the private power companies would not have run transmission lines out into the country, thus enabling the farmers to obtain electric current, except for the existence of the REA and the possibility of competition which might drive them out of business.

I shall not vote for an amendment which would prevent the farmers from enjoying that opportunity.

Mr. McKELLAR. Mr. President, the Senator said they could not get the juice.

Mr. BARKLEY. No; I said unless the farmers have an opportunity to have a generating plant they cannot have electricity sent over the transmission lines unless the private power companies make their facilities available to them.

Mr. McKELLAR. But does the Senator know where there is a transmission line which does not have electrical energy available to it? This has been one of the most successful projects for the benefit of the people.

Mr. BARKLEY. I agree with that. It may be that my use of the word "juice" was unfortunate.

Mr. McKELLAR. No; that word is frequently used in reference to electric current.

But it seems to me there is something very peculiar about the furor which has been raised over this amendment. The amendment would not hurt anyone. If it is possible to obtain electric power at a reasonable price, why build another generating plant with money which could be used to give so many housewives relief from the drudgery that they have to put up with? Why not use this money for the benefit of the housewives, for the benefit of the farmers who live in the country, for the benefit of all people who live in the country?

Mr. President, this amendment cannot hurt any one, because Heaven knows it is an easy thing to determine whether a reasonable price is being charged by a private power company. I am one of those who have approached the task on the side of public ownership, and I have been in favor of public ownership for this kind of electricity and other kinds of electricity. But I am not opposed to private industry simply because it is private. I wish to have private industry prosper in the same way that I wish to have all the people of the country prosper. I am not opposed to private industry because it is private.

Every Senator has received these telegrams—

Mr. BARKLEY. I have not.

Mr. McKELLAR. Then, the Senator has not been back to his office in the last 10 minutes.

Mr. BARKLEY. It makes no difference; I am opposed to the amendment, even though I have not received any telegrams.

Mr. McKELLAR. I know the prominence of the Senator from Kentucky in this body. Probably he would receive two telegrams in his office at the same time when the others of us were receiving only one.

Mr. BARKLEY. Mr. President, I am sure the Senator will agree that if I got them after I returned to my office it would be too late, because I made up my mind as soon as I saw the amendment.

Mr. McKELLAR. I agree that by that time it would be too late, because by then the Senator would already have made up his mind. No doubt the Senator made up his mind instantly.

Mr. BARKLEY. I do not know that I made it up that quickly, but I have made it up.

Mr. LA FOLLETTE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. In response to the statement made by the Senator from Tennessee, let me say that the reason why so many people are disturbed about this matter is that they sincerely believe that this amendment will be a great deterrent to the carrying forward of this program.

The Senator from Tennessee has said that it is very simple to find out whether a rate is reasonable. Any Senator who has ever observed a rate case knows that it can be dragged out indefinitely—and usually that seems to happen—by the introduction of expert testimony, resort to technicalities, and so forth.

There is not a word of testimony in the subcommittee hearings to show what procedure would be followed under this amendment, because the amendment was not mentioned in the testimony. No one knew that the amendment was going to be proposed.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. LA FOLLETTE. I shall yield in a moment.

Mr. President, I can see that if the Federal Power Commission were really to discharge its responsibility in connection with the amendment, it would have to make an additional and separate finding as to whether the electric power rates offered by a private power company to a cooperative were reasonable. This issue is a good deal like the issue which has so frequently come before the Senate in regard to transmission lines from multipurpose dams. The great help which the authority to grant loans to cooperatives for the purpose of building plants has been due to the opportunity it afforded of bargaining with private utility companies in attempting to obtain reasonable rates. The power companies knew that if they did not grant a reasonable rate, the cooperative had the power to apply to the Administration for money to construct or buy a generating plant, and the Administration had the power to grant a loan for the purpose of building such a plant.

In his testimony before the subcommittee, when the general question of his policy was under consideration, Mr. Wickard said over and over again, that he did not believe in granting loans when power could be obtained at a reasonable rate, and that in the future he would

not grant loans under those circumstances. He said he had not believed in such a policy in the past, and that he would not pursue such a policy in the future.

Mr. President, once before in this debate I cited the annual savings which have accrued to the Dairyland Cooperative. Because they could not obtain a reasonable rate they received a loan to be used in building their generating plant, and thereby saved more than \$300,000 a year in rates. That is a substantial sum of money. It puts the cooperative on a sounder basis and makes it possible for the cooperative to pay its loan to the Government.

It is the sincere belief of those who are opposed to the pending amendment that such a substantive change in the law as is being proposed should not be made without the most careful consideration being given to it, and hearings being held before a committee where the pros and cons may be thoroughly brought out. There was not a word of warning concerning this amendment, so far as the testimony was concerned. The bill was brought up on the floor of the Senate before any member of the Senate, outside of the committee, knew that such an amendment was under consideration.

Mr. BARKLEY. I appreciate the Senator's observation. I wish to picture, if I may, what would be necessary, and what the mechanics would be in obtaining a loan if the pending amendment were adopted. It is not easy to organize a rural electrification cooperative. Meetings must be held among the farmers; a cooperative program must be worked out, and the farmers must adopt the program, which they themselves have understood to mean not only the stringing of lines along highways, but the building of generating plants if that should become necessary. Suppose they hold a meeting in a section where there is no REA cooperative, and they wish to build a generating plant. They say, "Well, we can borrow the money to build the line, but we cannot obtain money to build a generating plant if the Federal Power Commission finds that there is adequate power already available in the community at reasonable rates." If the cooperative organizes for the purpose of building a line without knowing whether it can obtain a generating plant, it will, in a sense, put the cart before the horse. But suppose it organizes on the assumption that it can obtain a loan for building a generating plant. Before it can complete its organization it must come to the Federal Power Commission and ask it if it may have a generating power plant for the purpose of distributing power over its lines. To me that situation presents an almost insuperable barrier, in the first instance, against the REA. I cannot help but suspect that if the cooperative is met with refusal on the part of the Federal Power Commission, and is not able to borrow the money for the acquisition of a generating plant, it will be left at the mercy of some power company from whom it must buy power in order to furnish electricity to the consumers along its lines.

Mr. YOUNG. Mr. President, I live on a farm in my State a half mile from a

small town with a population of about 135. About 15 years ago a power company built a line approximately a half mile from that village. They charged the village \$3,500 to bring its facilities into it, and thereafter gave no reduction in rates because of this gift.

At the present time the farmers in my home county are organized into an REA cooperative. If, because of this amendment, they were to lose the bargaining power which they now have they would be in much the same position as this village is in, and no doubt would have to pay very high rates.

Mr. BARKLEY. When those who are desiring to establish a cooperative and supply electric power come to Washington to obtain consent of the Federal Power Commission to build a generating plant they will, of course, be confronted with the compulsion of going back and making the best deal they can with the private company in the event the Federal Power Commission turns them down in the first instance.

Mr. YOUNG. If their experience with the REA were the same as it was in the small village to which I have referred they would probably be compelled to pay a bonus on top of whatever rate they could obtain.

Mr. MAYBANK. Mr. President, I ask the distinguished Senator from Kentucky if there are not certain State laws which govern the activities of cooperatives in Kentucky?

Mr. BARKLEY. Yes; there are certain State laws. The control is vested, in a measure, in the public utilities commission of the State.

Mr. MAYBANK. I thank the Senator for his statement, because in my State of South Carolina the public service commission has certain jurisdiction over electric rates and other matters. I may say to the Senator that in a small community in South Carolina, where a private company owned the utility, the rate was 25 cents a kilowatt-hour. I repeat, 25 cents a kilowatt-hour. The rate remained at that figure until the cooperative was able to buy electricity from a competing line. The private power company finally reduced the rate considerably, and a great deal of money is now being saved.

Mr. President, I believe that the people of my State do not want jurisdiction over their affairs to be exercised in Washington. I am opposed to bureaucratic methods, and I certainly do not intend to put the people of South Carolina under a Federal bureau, although I am not saying to the distinguished Senator from Kentucky that I do not have the utmost confidence in the members of the Federal Power Commission. But I see no reason for persons to occupy hotel space, and space on trains, in coming to Washington to find out whether or not the farmers and other people of the land can obtain cheaper electricity in order to carry on agricultural pursuits.

Mr. BARKLEY. I appreciate what the Senator from South Carolina has said, and I share his comment with regard to the Federal Power Commission. What I have said is no reflection whatever on them. They are able, honest, and sincere public servants. But regardless of that fact, I think that we should not re-

quire farmers in any section of the country to come to Washington, or send someone to Washington before they can even organize a cooperative, to ascertain whether the Federal Power Commission will give them authority to construct generating plants.

Mr. MAGNUSON. Mr. President, the smaller cooperatives really cannot afford to send anyone to Washington to argue their case for them. The private power company can send their lawyers to Washington and the farmers are whipped before they start. Secondly, even after coming to Washington there would be a long series of delays, because the establishment of rates before a committee, a court, or a commission is a most difficult task. Even after a ruling has been made by the Federal Power Commission, there is nothing which would bind the private power company to accept the ruling. So, as the Senator has said, many of the small cooperatives are whipped before they start.

Mr. BARKLEY. I agree with the Senator.

Mr. GURNEY. Mr. President, I hope the Senator does not mean to leave the impression that the poor little cooperative representative will have to come all the way to Washington.

Mr. BARKLEY. That is where the Federal Power Commission is located.

Mr. GURNEY. I am sure the Senator knows that the REA has representatives in every State. The representatives in the field make up reports and send them to Washington. The Washington representatives then contact the Federal Power Commission. That is all there is to it.

Mr. BARKLEY. All decisions must be made in Washington. Decisions even on the question of whether there shall be established a cooperative, must be made in Washington. The loan, if any is to be granted, must be made in Washington. It is not made in the field. It is made by the REA in Washington. If the Senator means to intimate that the REA organization within the Department of Agriculture must argue before the Federal Power Commission in behalf of every rural cooperative which wants to build a generating plant, then he must admit that two rival organizations in Washington are arguing against each other.

Mr. GURNEY. Why does the Senator call them rival organizations?

Mr. BARKLEY. If one must go to another in order to induce it to approve or disapprove a loan, in a sense they thereby represent two discordant organizations, and may be representing different viewpoints.

Mr. GURNEY. Allow me to read the Federal Interagency agreement from part III of the Federal Power Act:

The Commission is party to an agreement entered into jointly with the Department of War, Interior, and Agriculture, under date of December 29, 1944, to permit agencies of these departments and the Commission to cooperate more completely in the preparation of reports on multipurpose reservoir projects and to correlate the results to the greatest practicable extent.

Mr. BARKLEY. That does not give one department the right to nullify what another is trying to do in making reports.

Mr. GURNEY. If I may intrude on the Senator's time, the purpose of it is to arrange that all the information as to all the power produced by not only public utilities, but also private utilities, and by the Bureau of Reclamation, the Interior Department, and the independent boards we have set up, such as the Grand Coulee organization, and the like, may be gathered together by one agency of the Government, which can determine what power is available, and then pass it out to any other agency of the Government, such as the REA, when a request for power is received.

Mr. BARKLEY. That is entirely another thing. Let me observe, in reply, that the result would be that we would have the REA here in Washington going over to the Power Commission with hat in hand, on bended knee, and saying, "Mr. Power Commission, will you please let us lend some money to a little cooperative in West Virginia, or Kentucky, or Wisconsin, so that it can build a generating plant?"

Mr. LA FOLLETTE and Mr. HILL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and if so to whom?

Mr. BARKLEY. I yield first to the Senator from Wisconsin.

Mr. LA FOLLETTE. The point I wish to make is that I do not believe the Senator from South Dakota or any other Senator can state what procedure the Power Commission will require if it has to accept the responsibility of making the required certification. There is not a line in the testimony about it, and I do not believe any Senator knows what procedure they would have to establish. But it certainly is obvious that any conscientious commission charged with this responsibility by the Congress will have to provide some kind of procedure whereby they can ascertain, first, whether the power is available in the area; and, second, whether it is available to the farmers' little cooperative at a reasonable rate. If that does not mean some kind of a special hearing and investigation with regard to all the areas throughout the United States, I do not know what it can mean. If it does mean that, it means interminable delay, and it means in the last analysis that we will have taken the bargaining power away from the cooperatives and thrown them on the good graces and the mercies of the private utilities everywhere in the United States. No one need try to tell me that that does not strike at the heart of the whole rural electrification program, and that, too, at a time when we are appealing to the farmers to increase their production in order that they may help feed the starving millions all over the world.

Mr. BARKLEY. Not only that, Mr. President, but if we may assume that the local REA cooperatives have gathered all the facts they need or think they need to bring to Washington and submit to the Power Commission, the Power Commission could then say, "We will send our own representatives into that community and make our own investigation and our own decision." That

would add to the time required to get action.

I now yield to the Senator from Alabama.

Mr. HILL. Mr. President, we may well know that if we put this provision into the law, what the Senator from Kentucky and the Senator from Wisconsin have suggested will come to pass. The private power companies will be here demanding that they be heard, asserting that they have a right to participate in some kind of a hearing and present what they think is their side of the case against the REA, against the loan, against the farmer. They will be here with their high-priced lawyers, with their high-priced rate experts, with their high-priced engineers, with their high-priced lobbyists, swarming to the Federal Power Commission, arrayed with their wealth and their power and their expert help and technical advice against the poor helpless farmers. That is what we are opening the door for, that is what we are inviting, if we adopt this amendment.

Mr. BARKLEY. I thank the Senator. I have said all I wish to say on the subject, and more than I had intended to say.

Mr. MAYBANK. Mr. President, will the Senator from Kentucky yield to me so that I may ask the Senator from Alabama a question?

Mr. BARKLEY. I yield for that purpose.

Mr. MAYBANK. In addition to what the Senator has suggested, is it not possible that court injunctions might be issued, so that it would be 10 years before anything was done?

Mr. HILL. The Senator from South Carolina knows the history of the whole REA program under the REA administration. The Senator from South Carolina knows that the power companies have never let slip any opportunity to go into court and sue for injunctions, and resort to any other possible kind of proceeding to delay, hamper, impede, harass, and defeat the REA. We would be opening the door, extending an invitation to the power companies to carry on as they have in the past, to do everything possible with their wealth and their power and their brains to defeat the REA.

Mr. McKELLAR. Mr. President, I hope we may have a vote, but before a vote is taken I wish to make one observation.

The opponents of the amendment refer to the construction of generating plants as involving 9 percent of the appropriation. That is all that is involved, 9 percent out of 100. Anyone would think the whole rural electrification system was involved. There is nothing of that sort. After 30-odd years of hard work for rural electrification, how could I ever explain it if I tried to do something that would help the power companies rather than the people of the rural areas? I have no other desire except to assist them.

All I ask, Mr. President, is that we have a vote on the amendment, and I should like to have a yea-and-nay vote. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Overton
Austin	Hart	Radcliffe
Bailey	Hatch	Reed
Ball	Hayden	Revercomb
Bankhead	Hickenlooper	Robertson
Barkley	Hill	Russell
Bilbo	Huffman	Saltstall
Brewster	Johnson, Colo.	Shipstead
Bridges	Johnston, S. C.	Smith
Briggs	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Capper	McCarran	Thomas, Okla.
Carville	McClellan	Thomas, Utah
Cordon	McFarland	Tobey
Donnell	McKellar	Tunnell
Downey	McMahon	Tydings
Ellender	Magnuson	Vandenberg
Ferguson	Maybank	Walsh
Fulbright	Mead	Wherry
George	Millikin	Wiley
Gerry	Mitchell	Willis
Gossett	Moore	Wilson
Green	Murdock	Young
Guffey	O'Mahoney	

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Seventy-four Senators having answered to their names, a quorum is present.

Mr. GURNEY. Mr. President, I wish to make a very short statement. I am surprised at the furor caused by this amendment. In committee it was generally agreed, as attested to by the unanimous vote of about a dozen members present in the committee when the amendment was agreed to, that it was sound, common, good sense to adopt the amendment. It was the belief of all Senators present—I think I speak truthfully—that there should be one Government agency which had the knowledge of power produced by every other governmental agency which is presently engaged in producing power, and there are several of them, and it was believed also that the Federal Power Commission was the agency which should be responsible for gathering the information and correlating it, and making it available.

I call the attention of the Senate also to the fact that there is presently before the Appropriations Committee request for the building of several hundred Federal flood-control projects where the generation of incidental power is, of course, a part of each project. We all realized that there would be power available from these flood-control projects, and we were concerned about the market for that power. Of course, it is conceivable that one agency, not getting its information from the central gathering agency, could authorize the building of a generating plant where, in a few years, hydroelectric power, developed at the expense of the taxpayer, would not then have a market. The amendment seemed to be a sound, common-sense amendment. Certainly we could not envision that it would cause any delay about which there has been so much oratory here today. I do not believe it is necessary for anyone to fear that there would be rival Government agencies, as I heard the majority leader say. Certainly they ought to cooperate. The

REA has representatives in the field who certainly report to Washington. They could pick up the telephone and ask the Federal Power Commission if a proposed rate was reasonable, and that is all that would be necessary, because the Federal Power Commission is not held down by any rule in dealing with such questions. It would be a simple matter.

If Senators think that \$100,000,000 is not a great deal of money, let them remember that when we first heard about the cost of the greatest Federal project in history, the Boulder Dam, its cost was a little under \$200,000,000. Here it is proposed to appropriate \$100,000,000 in this bill, which is a deficiency bill. Two and one-half times this amount is going to be called for in the regular appropriation bill. And still it is said that 9½ percent of all this money is not much; it is only a small amount. Mr. President, it is a huge amount. Ten percent of all the money appropriated for REA can run up to \$100,000,000.

Mr. President, I want to see the Federal money which is appropriated to REA go into lines which serve farms, where it is economically sound to put in the lines. If it is necessary to build a generating plant, then by no stretch of the imagination would this amendment stop the building of a necessary generating plant.

Mr. President, until someone got to members of the committee—I do not know who it was—every member of the committee said about the amendment, "That is fine; we are all for it." And the members of the committee present were unanimously in favor of it. I am sure the vote today, though, will not be unanimous.

I am glad the amendment came up for consideration, for Congress has certainly taken time out at least to stop, look, and listen in appropriating money for what the REA find to be cooperatives, but we should also remember that whenever a cooperative is organized somebody else pays the taxes that supply the money from which comes the \$100,000,000 appropriated in this particular bill.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. OVERTON. Objection has been made to the provision that the Federal Power Commission should approve the rates. Is it not the policy of the Government today that the Federal Power Commission shall approve the rates in the case of projects for which Federal money is expended?

Mr. GURNEY. That is the responsibility of the Federal Power Commission under the act creating it. I read the provisions of that act a few minutes ago.

Mr. OVERTON. I am sorry but I was not present at that time. I was called out of the Chamber.

Mr. GURNEY. As I understand the Federal Power Commission approves the rates charged by all Federal projects which are built with Federal money.

Mr. CORDON. Mr. President, I do not want to delay consideration of this matter for more than a few moments, and I assure the Senate I shall take but a few moments. I rise in support of the committee amendment. I do so because I believe that my action is in the interest,

the true interest, of the farming population of the United States.

Mr. President, this amendment does not in anywise prevent rural electrical cooperatives from producing their own power where there is not in the area adequate power available at a reasonable price. The amendment does provide that a finding shall be had in that field by the Federal Power Commission.

Argument has been made that the time element involved in securing a certification would be fatal to the rapid development of the REA program. I recognize, Mr. President, that there is some force in that argument. If those who have gone into the matter feel that it would be helpful, I should be glad to support an amendment to the committee amendment giving a priority to any application for such certification so as to hasten the decision by the Federal Power Commission. If those who have examined into the matter feel that it would be helpful, I should be glad to support an amendment providing that State public utilities commissioners or persons holding equivalent office might also make the investigation and certification. Anything which would expedite the determination would in my opinion be advisable, and should have general support.

However, I feel that every safeguard possible should be thrown around those who are seeking to help themselves, and who must turn aside from their everyday duties and occupations into a new field in order to do so. The distinguished majority leader called attention to the procedure by which REA cooperatives are organized—the calling together of the farmers, the presentation of the matter, the initiation of the contract or basic agreement, and so on, until finally the cooperative is evolved. I call attention to the fact that that must all be done by men and women who are making their living doing something else. They must turn aside from their regular occupations and endeavor to inform themselves in a new field. They must necessarily seek technical and expert advice. Ultimately they must have technical and expert employees, and they must control and operate the entire program and still continue their major and primary occupation in the field of agriculture.

I feel that it is the duty of the Congress to do everything possible to minimize that extra effort, not only from the standpoint of assistance in reducing the amount of time necessary for consideration by men and women on the farms, but because the more we can simplify the operation the less danger there will be of great loss to those who engage in it.

I invite attention to pages 53, 54, 55, and 56 of the Senate committee hearings on this matter. There are listed approximately 80 REA organizations which are in default, either as to payment of principal or interest, or both. The total amount in default is \$632,946.

Mr. President, I do not call attention to that situation critically. I am not at all of the opinion that it is too great a default to be expected, particularly under the circumstances with which we are faced, having just emerged from a war

period. I call attention to it only because there is listed opposite each REA organization which has defaulted the Rural Electrification Administration's reason for the default. Those reasons are many and varied. Among them are such reasons as these: In connection with a default of \$90,000—

High power cost from small generating plant installed when project started because utility refused to supply power at reasonable rate. Construction of additional distribution lines retarded by WPB restrictions.

Again, in connection with a \$3,800 default—

Too small to be efficient operating unit; high wholesale power cost.

And so forth. The reason is given in each instance. A careful consideration of this list leads one inescapably to the conclusion that the major reason is lack of time and expert knowledge on the part of those in the rural and farming sections who are attempting to maintain a business foreign to their experience. Because that is true, I feel that it is our duty, so far as we can, to simplify the REA administration. I believe we do that when we limit it so far as we can to the construction, operation, and maintenance of the lines and their outlets. We add complexity when we add generating plants. They represent a highly technical business. To me they represent a very great danger to every unit which undertakes such construction. I believe it would be helpful to those who are engaged in operating the REA organizations if they had the benefit of the consideration which would be given by the Federal Power Commission or by a State utility commissioner or equivalent officer. An examination would be made prior to the issuance of a permit to the REA to engage in the technical field of power generation. I believe that would be a help to the farmers themselves. For that reason, Mr. President, I feel compelled to support the amendment as it has been reported by the committee.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. AIKEN. When the Senator says that certain cooperatives are in default, does he mean that they are behind in their payments? He does not mean that they have utterly failed, does he?

Mr. CORDON. I give to the word "default" its usual meaning—default in payment of either principal or interest.

Mr. AIKEN. The Senator realizes, does he not, that there are approximately a thousand REA cooperatives, and that a great many of them are far ahead in their payments?

Mr. CORDON. As I stated, I did not mention these cooperatives critically. I particularly called attention to the fact that I felt that there were very few in default. I was astonished that there were so few in default, in view of the conditions from which we have recently emerged. I do not intend to be critical in any sense.

Mr. AIKEN. Does the Senator know whether any of the large power developments in the country are in default? Is the Bonneville Dam project, for example, fully paid out?

Mr. CORDON. The Bonneville Dam project is not fully paid out. I think the plans contemplate its paying out in 40 or 50 years. The latest report from a commercial accountant indicates that it is well on its way and is making adequate payments.

Mr. AIKEN. I believe that most of the REA cooperatives are well on their way.

Mr. CORDON. I believe that is correct.

Mr. AIKEN. The one which gets so far behind that is must be taken over has, so far as I know, never generated a kilowatt-hour of electricity for itself, but was in such a position that it had to pay a very high rate to a private utility company because it could not get the power anywhere else.

Mr. CORDON. Certainly I do not oppose the right resting in the REA cooperative to generate its own electricity at any time that it cannot secure electricity from another source at a reasonable rate.

Mr. AIKEN. I agree with the Senator from Oregon that in the long run the Bonneville project will pay out, and pay out handsomely; but I also maintain that nearly all of the 80 REA cooperatives will also come through all right.

Mr. CORDON. I agree with the Senator from Vermont in that statement.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, beginning in line 9.

Mr. WILEY. Mr. President, the State of Wisconsin has made a success of the REA, and also of private utilities. I shall not discuss this issue. Because I happen to have a few shares of stock in some private utilities, and because there seems to be a conflict of interest, I ask unanimous consent that I be excused from voting on this question.

The PRESIDING OFFICER. Without objection, the Senator from Wisconsin is excused from voting.

The question is on agreeing to the committee amendment on page 4, beginning in line 9. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. On this vote, I transfer that pair to the senior Senator from New Jersey [Mr. HAWKES] and, therefore, I shall vote. I vote "yea."

The roll call was concluded.

Mr. GUFFEY. My colleague [Mr. MYERS] is unavoidably detained on public business. If he were present, he would vote "nay."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Illinois [Mr. LUCAS], the Sena-

tor from Texas [Mr. O'DANIEL], the Senator from Florida [Mr. PEPPER], and the Senator from Montana [Mr. WHEELER], are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

On this question, the Senator from Montana [Mr. WHEELER] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from West Virginia [Mr. KILGORE], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER], would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Delaware [Mr. BUCK] and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from New Jersey [Mr. HAWKES] is absent on official business of the Interstate Commerce Committee. If present, he would vote "yea."

The Senator from Maine [Mr. WHITE] is detained in an important committee meeting. He has a general pair with the Senator from Montana [Mr. WHEELER].

The result was announced—yeas 21, nays 52, as follows:

YEAS—21

Austin	Gerry	Reed
Bailey	Gurney	Revercomb
Ball	Hart	Robertson
Bankhead	McKellar	Smith
Brewster	Millikin	Taft
Bridges	Overton	Thomas, Okla.
Cordon	Radcliffe	Tydings

NAYS—52

Aiken	Hayden	Murdock
Barkley	Hickenlooper	O'Mahoney
Bilbo	Hill	Russell
Briggs	Huffman	Saltonstall
Bushfield	Johnson, Colo.	Shipstead
Butler	Johnston, S. C.	Stanfill
Capper	Knowland	Stewart
Carville	La Follette	Thomas, Utah
Donnell	Langer	Tobey
Downey	McCarran	Tunnell
Ellender	McClellan	Vandenberg
Ferguson	McFarland	Walsh
Fulbright	McMahon	Wherry
George	Magnuson	Willis
Gossett	Maybank	Wilson
Green	Mead	Young
Guffey	Mitchell	
Hatch	Moore	

NOT VOTING—23

Andrews	Glass	O'Daniel
Brooks	Hawkes	Pepper
Buck	Hoey	Taylor
Byrd	Kilgore	Wagner
Capehart	Lucas	Wheeler
Chavez	Morse	White
Connally	Murray	Wiley
Eastland	Myers	

So the committee amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed,

the question is on engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5458) was read the third time and passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. WOLCOTT, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2348. An act to provide for the coverage of certain drugs under the Federal narcotic laws; and

H. R. 4571. An act to amend the First War Powers Act, 1941.

MODIFICATIONS IN THE AUTHORIZATION FOR CERTAIN SUBSIDIES

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BARKLEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BARKLEY, Mr. DOWNEY, Mr. MURDOCK, Mr. TOBEY, and Mr. TAFT conferees on the part of the Senate.

ALBERT E. SEVERNS—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2335) for the relief of Albert E. Severns, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows:

In lieu of the sum inserted by the Senate amendment, insert \$2,500; and the Senate agree to the same.

ALLEN J. ELLENDER,
ARTHUR CAPPER,
Managers on the Part of the Senate.
DAN R. MCGEEHEE,
W. A. PITTENGER,
Managers on the Part of the House.

Mr. ELLENDER. I move the adoption of the conference report.

The report was agreed to.

MRS. S. P. BURTON—CONFERENCE
REPORT

Mr. HUFFMAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2487) for the relief of Mrs. S. P. Burton, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

JAMES W. HUFFMAN,
ALLEN J. ELLENDER,
Managers on the Part of the Senate.
DAN R. MCGEEHEE,
J. M. COMBS,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

Mr. HUFFMAN. I move the adoption of the conference report.

The report was agreed to.

BUREAU OF SCIENTIFIC RESEARCH

Mr. MEAD. Mr. President, as chairman of the subcommittee of the Committee on Commerce, which considered Senate bill 1248, which was introduced by the Senator from Arkansas [Mr. FULBRIGHT], I should like to have the bill considered by the Senate this afternoon. I doubt whether it can be considered by unanimous consent, but if it cannot I shall move, if it be agreeable to my colleagues, that the Senate proceed to the consideration of Senate bill 1248.

Mr. TAFT. What is the calendar number?

Mr. MEAD. Calendar No. 918.

The PRESIDENT pro tempore. The clerk will state the bill by its title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1248) to establish a Bureau of Scientific Research, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. TAFT. I object.

Mr. MEAD. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1248.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York.

Mr. TAFT. Mr. President, there have been introduced three or four bills representing many different theories with respect to the proper method of establishing a Bureau of Scientific Research. It seems to me that more notice should have been given of the intention to ask that the Senate consider a bill of such importance as the one which the Sena-

tor from New York seeks to bring up. I think the Senator should wait until next Monday or Tuesday before asking that the Senate take up the bill. Many Senators are not present and cannot now consider the matter. Other bills have been introduced which have yet to be given a hearing, as I understand, before the committee to which they were referred.

Mr. MEAD. Mr. President, it would be perfectly agreeable to me to make Senate bill 1248 the unfinished business of the Senate. The bill has been on the calendar for some time. The sponsors of the other bills to which reference has been made have, as I understand, agreed on a simple proposal. That is a matter entirely different than the one now before us. The proposal represented by the other bills deals with basic research and basic science. Senate bill 1248 deals with the application of the sciences and research work to the problems of today. It is an aid primarily to small business. It would provide a service which has not otherwise been provided, and cannot be provided by small independent business.

Mr. TAFT. Mr. President, the bill which was introduced by the Senator from Virginia [Mr. BYRD] has been on the calendar much longer than the bill to which the Senator from New York has referred. The bill introduced by the Senator from Virginia would establish a research board for national security. It is Calendar No. 549, Senate bill 825. A somewhat different question is there involved, and it seems to me that the entire subject should come up at one time, and that sufficient notice should be given that the subject is to be considered.

Mr. REVERCOMB. Mr. President, with reference to the subject now being discussed, I invite attention to the fact that there is now pending before the Military Affairs Committee a bill which was only recently reported by a subcommittee of that committee which gave months of time to hearings on the subject. The bill to which I refer is Senate bill 1850. It deals with the general subject of establishing a foundation for scientific research. Undoubtedly it will incur a great deal of discussion in the full committee before which it is now pending. I am advised that the bill referred to by the Senator from New York is somewhat different, but is along the same line. I have not had an opportunity to study the bill which the Senator from New York has moved that the Senate proceed to consider. I know however, as a member of the subcommittee of the Military Affairs Committee, that the general subject is one which will precipitate an extended discussion both in the Military Affairs Committee, and perhaps on the floor of the Senate. The report from the subcommittee is now pending before the Committee on Commerce, and is pending there today because there was introduced in the Senate and referred to the Committee on Commerce a bill dealing with a proposed foundation for scientific research.

Moreover, I am advised that pending before the Committee on Commerce is another bill dealing with the same subject. The bill was introduced by the Senator from Indiana [Mr. WILLIS].

Mr. President, it seems to me that if we are to approach the subject properly, all the bills to which reference has been made should be before the Senate, or certainly we should have an opportunity to study them and know what differences may exist between them, and not take up the matter piecemeal by discussing and considering only one bill which deals with any one phase of the subject.

I hope the Senator from New York will not urge his motion, but instead will wait until the other bills on the subject are before the Senate so that we may then consider the subject in its entirety, and not consider only one of the bills on the general subject of scientific research.

Mr. MEAD. Mr. President, I may say that we now have within the Government the necessary technological research facilities. They are widespread in various agencies of the Government. The purpose of the bill which I have moved that the Senate proceed to consider is to coordinate the services which now exist, and make them more readily available to small independent businesses which will require those services if they are successfully to compete in the modern industrial age in which we now live.

At any rate, Mr. President, I shall be governed in great part by the wishes of the author of the bill.

Mr. FULBRIGHT. Mr. President, I may say for the information of the Senate that this bill was called up on the calendar at a time when, unfortunately, I was not present in the Chamber. It was passed over. I have discussed with the minority members of the committee as to when would be a proper time to bring the bill before the Senate. There is some confusion with reference to the purpose of the bill. I may say that it is not designed to further research in the basic sciences. So far as research is concerned, the bill is designed merely to coordinate what is already within the Government. One of the principal purposes of the bill is to maintain an index of technological knowledge which already exists within the Government. One of the principal subjects with which the bill deals in the immediate future is the mass of industrial secrets of the Axis countries now being gathered by experts of the Army and the Department of Commerce.

I invite attention to an article by a writer by the name of Ball which appeared a few days ago in the Washington Post. In his article he commented on the number of industrial secrets which are being brought to our Department of Commerce from Germany and are being declassified by the Department of Commerce.

Senate bill 1248 would provide for the establishment of technical services within the Department of Commerce. It is entirely different from the bill which is commonly known as the Kilgore or Magnuson bill.

It may be that further opportunity should be given to Senators to study the bill. However, there is no reason to consider it together with the other bill, because there is no real connection between the two. It is true that when the other bill was drawn the subject of atomic energy was in mind. But Senate bill

1248 is not designed to conduct research into the subject of atomic energy, or basic science, but to make available to the public the knowledge we already have. It should be made available to small business as soon as practicable.

Mr. REVERCOMB. Mr. President, I may say to the Senator from Arkansas that the bill now pending before the Military Affairs Committee, known as the Kilgore-Magnuson bill, provides for an over-all treatment and study to be made of scientific research, and is bound to reach into a field which will bring it into conflict, it would seem to me, with any other bill dealing with a definite or particular department of the Government.

I do not object to the bill of the Senator from Arkansas, but I assert that the Senate should not consider the subject piecemeal. It should be done with the whole subject of scientific research brought on for hearing on the bill of the Senator from Arkansas, the bill now pending before the Committee on Military Affairs, and other bills such as the one introduced by the Senator from Indiana. If we take this matter up piecemeal, we are going to find conflicts in some of the provisions of particular bills, such as the one now sought to be considered.

Mr. WILLIS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. WILLIS. I should like to say, in this connection, that while the bill introduced by myself and some of my colleagues perhaps does not conflict in any way with the bill the Senator from Arkansas is presenting, yet this whole subject should be reviewed in the light of the over-all definitions. It is a subject to which I presume very little attention has been paid by the laymen of the Senate, and I think it would be most unwise to take up this segment of scientific research work without having the whole picture before us. I believe it would be unwise, and I do not think the Senator from New York should press his motion at this time.

Mr. FULBRIGHT. Mr. President, one further comment. I am not disposed to press the bill until Senators can have an opportunity to study it. But this is not a piecemeal approach. There are different subjects involved. It is no more piecemeal than a steel plant is a piecemeal research operation. This is a practical matter. True, there is some connection between the laboratory in the University of Indiana or the laboratory at MIT, and the industrial manufacturing plants, but they are generally conceded to be performing different functions. One subject is involved in my bill, and different subjects in the other bills. There is a relationship, but no identity of purpose or function.

Mr. WILLIS. Will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. WILLIS. Does the Senator think a majority of the Senators have a clear picture of this field of legislation? Even if it is a distinct measure the Senator is sponsoring, would it not be better to give the Senate a little time to study it?

Mr. FULBRIGHT. I doubt that I have a clear picture of any bill except the ones from my own committees. I am not disposed to press the bill today, but I think that in the very near future these bills should be passed. For example, the one dealing with the declassification of the industrial secrets being discovered in Germany is very important. Information is being sent out every day, and I think it would be very helpful if the facts could be developed and made available to the people.

Mr. TAFT. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. TAFT. I do not quite understand the Senator's argument that his bill does not overlap others, because its terms seem exceedingly broad. It authorizes the Secretary "to undertake engineering or technological research on industrial, commercial or related problems of an important general nature, including the development of such inventions, products, and processes as may be qualified for future utilization."

That is almost broad enough to include every basic research. Certainly it is broad enough to include intermediate basic research. Then it authorizes him "to initiate and sponsor engineering or technological research or development, to be carried on by public departments and agencies or by private profit or non-profit institutions and persons, by entering into contracts or other arrangements pursuant to which he may finance."

Here we have a proposal for a department to finance research in institutions throughout the United States. Then there is the other bill proposing to finance research on some other subject. Then, there is the Navy bill, and the Army bill, perhaps, to finance military and naval research.

It seems to me the subject is broad, and if we are to have the Government finance research throughout the United States, one agency should do it, and we should decide what that agency should be. I do not believe we should approach the problem in a piecemeal way.

Mr. FULBRIGHT. In the hearings in the subcommittee of the Committee on Military Affairs, which I attended last fall, all the scientists who were present, including many who have been appearing before the Special Committee on Atomic Energy, were conscious of the distinction between research in pure science and research in applied science; that is, engineering and the technology of production. They certainly have no trouble in making that distinction, and they think they are entirely different proceedings. We would not expect Mr. Urey or Mr. Oppenheimer to be engaged in investigating how one sets up a plant, or how one develops an invention for use in everyday commercial life.

Mr. BARKLEY. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. BARKLEY. Inasmuch as we are planning to recess until Tuesday, it strikes me it might be well to let the matter go over until that time, and determine what we want to do.

Mr. FULBRIGHT. I am not disposed to push it today, but the confusion re-

ferred to has been in the minds of many people, and I hope Senators will give some thought to the distinction between the various bills.

Mr. MEAD. Mr. President, agreeable to the wishes of my colleague from Arkansas, the sponsor of the bill, and for the added reason that I believe we have emphasized the importance of such legislation as is proposed, I ask unanimous consent to withdraw my motion.

The PRESIDENT pro tempore. Without objection, the motion is withdrawn.

DISPOSITION OF THE RECLAMATION FUND—BILL INTRODUCED

Mr. O'MAHONEY. Mr. President, on behalf of the senior Senator from Arizona [Mr. HAYDEN] and myself, I ask unanimous consent to introduce for appropriate reference a bill, to provide for the flow of revenues from the Federal reclamation projects into miscellaneous receipts of the Treasury, and to provide that revenues from the Federal reclamation projects hereafter financed wholly from general funds of the Treasury shall be covered into miscellaneous receipts of the Treasury.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The bill (S. 1881) to provide for the flow of revenues from Federal reclamation projects into miscellaneous receipts of the Treasury and to provide that revenues from Federal reclamation projects hereafter financed wholly from general funds of the Treasury, shall be covered into miscellaneous receipts of the Treasury, was read twice by its title, referred to the Committee on Irrigation and Reclamation.

Mr. O'MAHONEY. Mr. President, by the Reclamation Act of June 17, 1902, a national Federal reclamation policy was adopted for the public land States of the West under which thousands of acres of dry land have been brought under water and formerly uninhabited areas have been transformed into productive agricultural communities, with a consequent stimulation of business and industrial activity. New markets have been created for manufactured goods produced in other parts of the country and the tax revenues of the Federal Government and of States and counties have been greatly increased. The truth is that the returns in the form of taxes alone far exceed the amounts expended on all reclamation projects since the original law was passed.

Moreover, thousands of homes were created for veterans of the last World War, and thousands of homes can now be created for veterans of this war by the continuation of the policy.

The Reclamation Act set up a special reclamation fund in the Treasury of the United States into which it was directed should flow the receipts from the sale and disposal of public lands in 16 Western States, namely, Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, North Dakota, Nevada, New Mexico, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming. Later, in 1906, the Reclamation Act was extended to include the State of Texas, although there were no public lands in

that State which could be sold to increase the reclamation fund.

The great value to the Nation of the creation of new reclamation projects resulting, as described, in the stimulation of agriculture, business, and industry, was recognized by Congress, which from time to time, by new statutes, provided new sources of income to the reclamation fund. For example, the act of March 3, 1905, provided for covering into the reclamation fund proceeds from the sale of property and money refunded in connection with any operations under the Reclamation Act. By subsequent acts Congress provided that the proceeds from the sale of town lots should go into the fund. In 1917, when Congress adopted the principle of leasing valuable deposits upon the public land, it was provided that certain royalties and rentals should go into the fund. This was the case with the General Leasing Act of 1920, under which 70 percent of all receipts on past production and 52½ percent of all receipts on future production, from sales, bonuses, royalties, and rentals derived from the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain outside of Alaska, were covered into the reclamation fund. Other similar acts have been passed, because it was realized that with the settlement of the public land States the source of revenue for the reclamation fund would tend constantly to diminish.

It was found that the cost of initiating the program was exceeding the accretions to the reclamation fund, and in 1910 Congress provided for a loan of approximately \$20,000,000 to the fund from the Treasury. This loan was to be repaid beginning 5 years after the first advance by diverting 50 percent of the annual receipts of the reclamation fund into the Treasury. In 1917 this act was amended so as to provide that the reimbursement should be made at the rate of \$1,000,000 annually beginning July 1, 1920. These payments were made until the depression, when, as a result of moratorium acts relieving farmers from repayment obligations, the receipts of the reclamation fund were cut off. As a result, Congress authorized the postponement of the annual repayments to the Treasury.

When the public works program was launched in 1933, new appropriations were made from the general fund for reclamation projects, and in 1938 the distinguished senior Senator from Arizona [Mr. HAYDEN] and I sponsored an amendment to the Interior Department Appropriation Act for the fiscal year 1939 providing for the eventual full repayment of all of these advances to the Treasury out of reclamation project receipts after the costs of development had been met. This provision reads as follows:

All moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and financed in whole or in part with moneys heretofore or hereafter appropriated or allocated therefor by the Federal Government, shall be covered into the reclamation fund, except in cases where provision has been made by law or contract for the use of such

revenues for the benefit of users of water from such project: *Provided*, That after the net revenues derived from the sale of power developed in connection with any of said projects shall have repaid those construction costs of such project allocated to power to be repaid by power revenues therefrom and shall no longer be required to meet the contractual obligations of the United States, then said net revenues derived from the sale of power developed in connection with such project shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as miscellaneous receipts.

All advocates of reclamation have recognized from the beginning that all advances from the Federal Treasury in addition to the reclamation fund should be repaid to the Treasury. During the last session of Congress, when appropriation bills were under consideration, some members, particularly of the Appropriations Committees, expressed the belief that the date when reclamation-project receipts should begin flowing into the Treasury should be expedited. With this objective, the Senator from Arizona [Mr. HAYDEN] and I are in agreement, and by the bill which I am introducing today on his behalf as well as my own, we have undertaken to modify the provisions of the earlier act so as to expedite repayment to the Federal Treasury.

This bill would amend existing law so as to provide, first, that all net revenues from reclamation projects hereafter financed wholly from the general fund of the Treasury should be turned over to the Treasury and, second, that a suitable portion of net revenues received from projects partly financed out of the general fund should likewise be paid into the Treasury.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill, S. 1881, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the act of May 9, 1938 (52 Stat. 291), is hereby amended by striking out the first proviso in the provision of such act relating to the disposition of moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and inserting in lieu thereof the following: "*Provided*, That, after the close of each fiscal year, there shall be covered into the General Treasury as miscellaneous receipts that proportion of the net revenues not required to meet contractual obligations of the United States received from each such project during such fiscal year which the sum of general fund appropriations made after the effective date of this proviso for each such project bears to the aggregate of all appropriations and allotments made for such project: *Provided, further*, That when the sum of transfers from the reclamation fund to miscellaneous receipts of the Treasury with respect to a project equals the sum of all general fund appropriations made for such project subsequent to the effective date of this proviso then the amount to be transferred to miscellaneous receipts of the Treasury with respect to each such project, after the close of each fiscal year, shall be that proportion of the net revenues received from each such project during such fiscal year which the sum of all general fund appropriations and allotments bear to the aggregate of all appropriations and allotments made for such project."

SEC. 2. This act shall become effective upon the first day of the fiscal year following the fiscal year in which it shall become law.

AUTHORIZATION FOR FILING OF A REPORT BY THE JOINT COMMITTEE ON THE ORGANIZATION OF CONGRESS

Mr. LA FOLLETTE. Mr. President, in view of the statement made a few moments ago by the majority leader that it was his purpose to move that the Senate adjourn until Tuesday next, I ask unanimous consent that the Joint Committee on the Organization of Congress may be authorized to file a report with the Secretary of the Senate on Monday.

The PRESIDENT *pro tempore*. Is there objection? The Chair hears none, and it is so ordered.

CONDITIONAL PROHIBITION OF LOAN TO GREAT BRITAIN

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to prohibit the making of a loan to Great Britain until all persons who have been compelled to transfer their property for the purpose for qualifying for old-age pensions are reimbursed.

Out of 48 States there are 17 in which, in some instances, before old pioneers could get one single penny for old age assistance they had to transfer everything they owned. I know of one case of a woman who had to transfer even her wedding ring. I know of an old lady who had a cow and a calf, and before she could receive any old-age assistance she had to turn the cow and the calf over to the welfare board. I think every Senator present coming from the States in question is familiar with the fact that even life insurance policies are not exempt. Certainly it is not fair that these 17 States, out of 48, should require the old pioneers who live within their borders to transfer their property before they may receive old-age assistance. In my opinion it is not fair that England should be loaned three or four billion dollars, money which is to be sent abroad, before the old pioneers, who made this country what it is, are reimbursed.

I ask unanimous consent that the bill be printed in full at this point in my remarks.

There being no objection, the bill (S. 1882) prohibiting the making of a loan to Great Britain until all persons who have been compelled to transfer their property for the purpose of qualifying for old-age assistance have been reimbursed for such property, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) notwithstanding any other provision of law, no funds shall be used for the purpose of carrying out the provisions of the agreement dated December 6, 1945, between the United States and the United Kingdom, until there shall have been paid to each person entitled to receive a payment under subsection (b), the amount to which such person is entitled thereunder.

(b) The Federal Security Administrator is authorized and directed to pay to each person who has transferred his home or other property for the purpose of qualifying for old-age assistance under any plan approved under section 2 of the Social Security Act, as

amended, an amount equal to the market value of such property at the date of such transfer plus interest thereon at the rate of 4 percent per annum from such date.

(c) No benefits under any such plan shall be denied to any person because of the receipt or ownership of funds paid in accordance with subsection (a), and the Secretary of the Treasury is authorized and directed to withhold payments under section 3 of the Social Security Act, as amended, from any State which denies benefits to any person because of the receipt or ownership of funds paid in accordance with subsection (b).

(d) There are hereby authorized to be appropriated such sums as may be necessary to make the payments provided for in subsection (b).

PREVENTION, DIAGNOSIS, AND TREATMENT OF CANCER

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill authorizing the appropriation of \$3,750,000,000 for use in making studies relating to the prevention, diagnosis, and treatment of cancer.

Certainly, Mr. President, with the scourge of cancer prevalent all over this great country, it is more important that cancer be treated here, and that our own people be taken care of than that we loan the sum of \$3,750,000,000 to a foreign country.

I ask unanimous consent that the bill may be printed in full at this point in my remarks.

There being no objection, the bill (S. 1883) authorizing the appropriation of \$3,750,000,000 for use in making studies relating to the prevention, diagnosis, and treatment of cancer, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in addition to amounts heretofore authorized to be appropriated for the purposes of title IV of the Public Health Service Act (58 Stat. 707), relating to programs for the prevention, diagnosis, and treatment of cancer, there is hereby authorized to be appropriated for such purposes the sum of \$3,750,000,000.

AGRICULTURAL COLLEGES IN ALASKA, HAWAII, AND PUERTO RICO

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill authorizing the appropriation of \$3,750,000,000 for the establishment and maintenance of agricultural colleges in Alaska, Hawaii and Puerto Rico.

I may say that I have been in two of these Territories. We have owned Alaska for 75 years. It is a Territory almost entirely destitute of agriculture. The Territory does not even have a department of agriculture. It has only a small university, with very few buildings and only a very limited section devoted to agriculture. Hundreds of thousands of our veterans want to go to Alaska and establish themselves. I think it more important that a study be made of the agricultural possibilities of this Territory and other Territories than to make a loan of \$4,400,000,000, or some similar amount, to Great Britain or to any other country.

I ask unanimous consent that the bill may be printed in the RECORD at this point in my remarks.

There being no objection, the bill (S. 1884) authorizing the appropriation of \$3,750,000,000 for the establishment and maintenance of agricultural colleges in Alaska, Hawaii, and Puerto Rico, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of \$3,750,000,000, which shall be available for expenditure under the direction of the Secretary of Agriculture for the establishment and maintenance of agricultural colleges in Alaska, Hawaii, and Puerto Rico. The funds herein authorized to be appropriated may be used for the acquisition of land, the erection of buildings, the purchase of equipment and supplies, the payment of compensation of instructors, and any other necessary costs of maintenance and operation of colleges established hereunder. Such funds shall also be available for use in paying the necessary costs of operation and maintenance of existing public agricultural colleges, including the Agricultural College and School of Mines of the Territory of Alaska provided for in the act of March 4, 1915, and the act of January 21, 1929 (U. S. C., title 48, secs. 354 and 354a).

PROHIBITION OF LOAN TO GREAT BRITAIN CONTINGENT ON CANCELLATION OF DOMESTIC CROP PRODUCTION AND HARVESTING LOANS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill prohibiting the making of a loan to Great Britain until certain crop production and harvesting loans shall have been canceled.

During the period of the great drought in this country, at a time when there was a tremendous food shortage all over America, hundreds of thousands of farmers in the United States did not have a single penny with which to seed a crop. They went to the Government and secured feed and seed loans. Some of these loans were made in 1931, others in 1932, others in 1933, and in 1934, 1935, 1936, and so on.

When I came to the Senate I introduced a bill giving the Department of Agriculture authority to cancel or to adjust this indebtedness. There were instances among the farmers in the dust bowl where men had worked and slaved with their families for 30 or 35 years. Then came the drought. Then came 4 or 5 or 6 or 7 and in some places 10 years without a crop. Nevertheless our Government is still charging interest on those loans. Time and time again in cases where farmers owed money by reason of seed loans, the Government has taken all the profit from the farm in payment of the old feed and seed loans and the interest thereon, and the widows and children have gone upon relief. If any Senator doubts that statement I can produce scores of letters to prove it, and I can show it even by the records of the Federal Government itself.

Mr. President, I believe that rather than help the farmers or the taxpayers of any foreign country to whom it is proposed that we lend \$4,400,000,000, that we should help the farmers of our own country, who went through that trying period and produced food for this

country, and that the loans made at that time should be canceled before loans are made to any foreign country.

Mr. President, I ask unanimous consent that the bill may be printed at this point as a part of my remarks.

There being no objection, the bill (S. 1885) prohibiting the making of a loan to Great Britain until certain crop production and harvesting loans shall have been canceled, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the Secretary of Agriculture is authorized and directed to provide for the immediate cancellation of all loans made to farmers pursuant to the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes", approved January 29, 1937, as amended and supplemented, or pursuant to any prior act or joint resolution, under the terms of which loans of a similar character were authorized to be made either by the Secretary of Agriculture, or by the Governor of the Farm Credit Administration.

(b) The Secretary of Agriculture is also authorized and directed to release all liens given to secure the loan or loans made to any such farmer pursuant to such act, and to notify each such farmer that no further payments of principal or interest shall be required after the date of enactment of this act with respect to any loan so made to him.

(c) Notwithstanding any other provision of law, the Secretary of the Treasury shall make no payments for the purpose of carrying out the provisions of the agreement dated December 6, 1945, between the United States and the United Kingdom, until he shall have been notified by the Secretary of Agriculture that all loans referred to under subsection (a) have been canceled.

LOANS TO STATES FOR CONSTRUCTION AND REPAIR OF SECONDARY AND FEEDER ROADS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill to authorize the appropriation of \$3,750,000,000 for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads.

I may say that all over this country, and particularly in the West, there is a serious shortage of money for the purpose of constructing highways. The State of Arkansas does not have the money necessary for that purpose. The same is true of some of the Western States. In my own State of North Dakota we are short of money with which to match Federal funds. The result is that a farmer residing some distance in the country finds it impossible to get to a main highway 4 or 5 miles away from his farm. Sometimes, Mr. President, simply because there is one mud hole in the road it may be necessary for the farmer to go an extra distance of 2 or 3 miles in order to get to the main highway. It seems to me that before we lend to any country \$4,400,000,000, or even the sum of \$3,750,000,000, we should take steps to see to it that our own feeder roads and our own secondary roads are made usable in States which want to repair or to build them, and that loans should be made to those States so the roads can be made usable in order that farmers may bring their produce to market.

Mr. President, I ask unanimous consent that the bill may be printed in the Record at this point in my remarks.

There being no objection, the bill (S. 1886) authorizing the appropriation of \$3,750,000,000 for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads, was received, read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of \$3,750,000,000, which shall be available to the Commissioner of Public Roads for making loans to States for the purpose of enabling them to construct and repair secondary and feeder roads and bridges and approaches thereto situated on such roads.

(b) The amounts appropriated pursuant to subsection (a) shall be apportioned among the States in accordance with the formula contained in section 21 of the Federal Highway Act, as amended. The amount apportioned to a State shall be available to the Commissioner, during the period beginning on July 1, 1946, and ending June 30, 1951, for making loans to such State for the purposes specified in subsection (a).

(c) Loans made to States hereunder shall mature in not to exceed 50 years from the date of making thereof and shall bear interest at the rate of 2 percent per annum, except that (1) no interest shall accrue or be payable for any period prior to July 1, 1951, and (2) in the case of any State, the Governor of which certifies to the Commissioner of Public Roads that any portion of the principal or interest on any such loan cannot be repaid upon maturity, such unpaid portion shall be canceled.

APPROPRIATION FOR RURAL ELECTRIFICATION

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference another bill authorizing the appropriation of \$3,750,000,000 for the purpose of rural electrification.

Mr. President, every Senator is familiar with the fact that even in the State of Rhode Island only 95 out of every 100 farmers have rural electrification. My own State of North Dakota is at the very bottom of the list of 48 States. Not 7 farmers out of 100 in my State have rural electrification. In the State of Minnesota to the east of us 25 farmers out of 100 have rural electrification. In the State to the west of us, Montana, 40 farmers out of every 100 have rural electrification. In the State of South Dakota to the south of us 10 farmers out of every 100 have rural electrification.

Let us consider foreign countries. In Norway, Sweden, Finland, and Denmark there is 100 percent rural electrification. The wives of the farmers in those countries in doing their household work do not have to perform all the drudgery which the wives of farmers in the United States of America have to endure.

Let us consider Germany. We have heard a great deal of late about Germany being such a barbaric country. But in Germany before the war 95 farmers out of every 100 had rural electrification.

The record of our own Department of Agriculture shows that before the war

95 farmers out of every 100 in Japan had rural electrification.

Mr. President, it is proposed by a bill introduced on December 6, 1945, to lend \$4,400,000,000 to foreign countries, when as a matter of fact our own farmers are sadly in need of rural electrification.

Mr. President, I ask unanimous consent that the bill may be printed in the Record at this point as a part of my remarks.

There being no objection, the bill (S. 1887) authorizing the appropriation of \$3,750,000,000, for the purposes of rural electrification, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of \$3,750,000,000, which shall be available for making loans in the several States and Territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central-station service.

(b) Loans made from funds authorized to be appropriated under subsection (a) shall be made in accordance with the Rural Electrification Act of 1936, as amended, except that such loans shall mature in not to exceed 50 years, shall bear no interest for a period of 5 years after the date of making thereof, shall bear interest at the rate of 2 percent per annum beginning with the sixth year after the date of the making thereof, and any amounts of principal and interest unpaid at the date of maturity shall be canceled if, in the opinion of the Administrator of the Rural Electrification Administration, the borrower is unable to pay such amount.

CONTROL OF INFANTILE PARALYSIS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to authorize an appropriation of \$3,750,000,000 for use in combating infantile paralysis.

In connection with this subject I may say that some time ago the Senate passed a bill providing for an appropriation of \$3,000,000 to be expended for combating the disease of sleeping sickness, which we thought was akin to infantile paralysis. It seems to me that with the scourge of infantile paralysis which we have had, it is much more sensible for us to make an appropriation of \$3,750,000,000 to combat infantile paralysis in this country than to lend the money to a foreign country.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1888) to authorize the appropriation of \$3,750,000,000 for use in combating infantile paralysis, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of \$3,750,000,000, which shall be available for disbursement to Sister Elizabeth Kenny for use in establishing and maintaining facilities for the hospitalization and treatment of persons suffering from infantile paralysis, and for investigation and research with respect to the origin, causes, and means of control, of infantile paralysis.

(b) The funds authorized to be appropriated under subsection (a) shall be dis-

bursed by the Secretary of the Treasury upon vouchers approved by Sister Kenny.

AUTOMOBILES AND JEEPS FOR VETERANS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill authorizing an appropriation of \$3,750,000,000 for the purpose of supplying automobiles and jeeps to certain veterans making application therefor.

I have received scores of letters from veterans, particularly in Italy, informing me that over there our automobiles and jeeps are being sold at 1 or 2 cents on the dollar. Yet our veterans here are unable to purchase them. I have received numerous letters from various parts of the United States indicating that veterans cannot buy an automobile or a jeep. It seems to me that rather than give away \$3,750,000,000—although it is called a loan—to veterans of foreign countries, such as England, it would be much more desirable to give our own veterans, who fought the war and made the world safe for democracy, \$3,750,000,000 so that they may purchase automobiles and jeeps in this country.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1889) authorizing the appropriation of \$3,750,000,000 for the purpose of supplying automobiles to certain veterans making application therefor, was received, read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of \$3,750,000,000 to enable the Commissioner of Public Roads to carry out the provisions of subsection (b).

(b) The Commissioner of Public Roads is authorized and directed, within the limitation of the funds above authorized to be appropriated, to purchase and deliver free of charge to each person who served in the armed forces as an enlisted man or woman at any time during the period beginning on December 7, 1941, and ending on September 2, 1945, and who makes an application therefor, a new and completely equipped automobile of such body style and color as such person shall specify in such application. The funds authorized to be appropriated in subsection (a) hereof shall also be available for use in paying the necessary costs of delivering automobiles purchased pursuant to this act.

(c) The Commissioner of Public Roads is authorized to make such rules and regulations as he may deem necessary concerning the manner in which such applications shall be filed and delivery of such automobiles be made.

REDUCTION OF DEBT LIMIT OF THE UNITED STATES

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to reduce the debt limit of the United States by \$3,750,000,000.

The distinguished acting chairman of the Committee on Appropriations [Mr. McKELLAR] who is now presiding over this honorable body, will remember that last week upon this floor I asked him how it happened that \$3,000,000,000 had

been paid on the national debt. The distinguished Senator replied that he did not know exactly how it happened. All he knew about it was what appeared in the press.

Mr. President, I believe it would be much more sensible, with our debt approaching \$300,000,000,000, if we were to pay off \$3,750,000,000 of the debt rather than to lend England \$3,750,000,000 when we do not have the money, and when we must borrow it in order to make the loan.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1890) to reduce the debt limit of the United States by \$3,750,000,000, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That the aggregate of the face amount of obligations authorized to be issued under authority of section 21 of the Second Liberty Bond Act, as amended, and the face amount of obligations authorized to be guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), is hereby reduced by the sum of \$3,750,000,000.

DETECTION OF CERTAIN DISEASES

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to protect the public health through the detection of certain diseases, and for other purposes, and to authorize an appropriation of \$3,750,000,000 for that purpose.

This bill deals particularly with the matter of procuring specimens of urine from the citizens of this country. The medical profession informs us that by proper examination 22 diseases can be detected in this manner. Some years ago the Rockefeller Foundation endorsed a similar bill, not carrying an appropriation of this size, but a small appropriation for that purpose.

I ask unanimous consent that the bill be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1891) to protect the public health through the detection of certain diseases, and for other purposes, was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated the sum of \$3,750,000,000 or so much thereof as may be necessary to enable the Surgeon General of the Public Health Service to carry out the provisions of subsection (b).

(b) The Surgeon General of the Public Health Service shall, with such equipment and facilities as may be available to him and with the cooperation of agencies and officials of the States and the municipalities and counties thereof, and of other Federal agencies, provide the means for securing a specimen of the urine of each person in the United States and the examination and analysis of such specimen. Upon making such an examination and analysis, a report of the findings shall be made to the person furnishing such specimen. If such examination and analysis discloses that such person has some disease, a report of such fact

shall be made to the health authorities of the municipality or county wherein such person resides. No person shall be permitted to obtain an examination and analysis of a specimen furnished by him more often than once every 6 months.

(c) The Surgeon General of the Public Health Service is authorized to make such rules and regulations as he deems necessary to carry out the provisions of this act.

TERMINATION OF THE WAR FOR PURPOSES OF WAR LEGISLATION

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to declare the termination of the present war for purposes of war legislation.

From my State I have received a great many letters from people saying that in their opinion the war is over, and yet boys are being drafted. Boys are being kept on the other side of the water, although the war ended many months ago. I ask that it be printed in full at the conclusion of my remarks.

There being no objection, the bill (S. 1892) to declare the termination of the present war for the purposes of war legislation, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That any provision contained in any law enacted by Congress rendering the operation or effectiveness of such law, or any part thereof, contingent upon the cessation of hostilities in the present war or upon the termination of the present war or the present or existing emergency, in whatever words expressed, shall be construed and interpreted to refer to and indicate, in lieu of the date of the cessation of hostilities in the present war or of termination of the present war or the present or existing emergency, the date of the enactment of this act, irrespective of any provision to the contrary contained in any such law.

RESTORATION OF POSTAL SERVICE TO AUSTRIA, GERMANY, POLAND, AND RUMANIA

Mr. LANGER. Mr. President, more than 3 months ago the Senator from Michigan [Mr. VANDENBERG] and I submitted petitions signed by thousands of people, asking that postal service to Austria, Germany, Poland, and Rumania be restored. The Department of State has done nothing about it. Hundreds of thousands of our citizens are still unable to write to their relatives in those countries.

In view of those facts, I ask unanimous consent to have printed in the Record an article by John O'Donnell, published in the Washington Times-Herald of March 1, 1946.

There being no objection, the article was ordered to be printed in the Record, as follows:

CAPITOL STUFF

(By John O'Donnell)

The more we talk with scores of honest American newspapermen who have been working in Germany in the last year, the more we are shocked at the news dispatches that have been filed from the Reich.

To put the matter bluntly and coarsely, the American citizens have been lied to, been flatly and coldly misinformed, by a group of journalistic breast-beating Roosevelt lovers, Moscow sycophants, self-anointed world-

savers, and other zealots with respect to the all-important facts within Germany.

Facts are that the United States military government, the Army generals, and the State Department big shots are trying to do a decent job.

But they are under attack on the home front and are frightened out of their skins by the threat that they will be kicked out in disgrace by higher-ups in Washington if they do not toss their honest opinions out the window and follow "public opinion."

"Public opinion" in such cases being the photostats of news stories, sent back to American headquarters in Germany from our War and State Department big shots in which the so-called "crusading American journalists" both here and in Germany are supposed to reflect honest American opinion.

So far as we know, none has ever told the story of the German underground—the groups who battled Hitler from the start and died for it. That story has been killed off in Germany by our own writers.

And failure to tell it is just as shocking a lie as that smug and shocking observation of Mrs. Eleanor Roosevelt, who made a VIP (very important person) trip through Germany (where President Truman now announces there is starvation), and came out with the gentle observation that some of the children in the Reich "actually have chubby faces and pink cheeks."

This, of course, coming from an area where American officials report the death of one-fifth of the infants born because of starvation of the mothers or lack of medical supplies, is really something—something that makes an American slightly sick to his stomach.

Now comes a very frank report from Lt. Comdr. Alexander B. Maley, of Navy Intelligence, who went into Germany with the Seventh Army under the late General Patch on a special mission, remained there for 5 months and now comes out to tell his story. The former Navy lieutenant, writing with first-hand knowledge in Human Events, a weekly analysis of world news edited by Felix Morley, former editor of the Washington Post and president of Haverford College, and foreign correspondent Frank Hanighen, states:

"For some strange reason the epic of German liberal resistance has been suppressed. Its heroism has not been told; its sacrifices remain unsung.

"We have been led to believe that almost without exception the German Nation concurred in the crimes of its leaders. No evidence to the contrary has ever been allowed to come from the Nuernberg trials, a serious psychological error since nothing would impress the German people more than to know the stories of their countrymen who sacrificed so much for them."

Now the story of Navy Intelligence expert Commander Maley appears in type. It is braced with excerpts of the November 1939 diary of then Washington Post editor Morley. And, this above all, it reveals the shocking loss of human life caused directly by the ill-considered and boastful declaration of Franklin D. Roosevelt that only unconditional surrender would be considered by the Allied command.

This edict was tossed into the air without the consent of Congress or the American people and against the advice of our military leaders (including Eisenhower), the Navy, the State Department, and—incidentally—Winston Churchill.

As the United States Naval Intelligence officer reported, although the anti-Hitler underground wanted to end the war, made contacts with British and American representatives in Sweden and Switzerland, the result was the same. He reports:

"Contacts were sympathetically received at lower levels. But always, from White House

and Whitehall, came the rebuff of 'unconditional surrender.' On this basis many German generals, not without patriotism and pride, could not persuade themselves to raise the standard of revolt."

Going back to the attempted assassination of Hitler July 20, 1944, the American informant points out that this had been the result of months of careful planning—in which outside aid from Washington was rebuffed and, since F. D. R. was running the international show at that time, from London.

The German Army officers implicated in the plot to kill Hitler were promptly shot or hanged, but then, the narrator reports, began the destruction of the German civilian underground that during the war received no aid from Washington and are now suffering at Allied hands for their anti-Hitler efforts. Writes Maley:

"Protestant and Catholic clergy, employers and former trade-union leaders, university professors and students, civil servants and members of the nobility were rounded up in batches—shot, hung, or herded into concentration camps together with their families."

"The number of liquidated will never be exactly known, but 20,000 is a conservative estimate. When the concentration camps were finally opened, and advertised as proof of German bestiality, Americans were not told that many of the miserable victims were heroic German men and women who had given their all to overthrow the Nazis."

AUTHORIZATION TO SIGN BILLS, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the adjournment of the Senate the Presiding Officer of the Senate be authorized to sign bills and resolutions, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. LA FOLLETTE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Commodore James E. Maher, United States Navy, to be a commodore in the Navy, for temporary service, while serving as Chief of Base Maintenance, Office of the Chief of Naval Operations, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Commodore Arthur Gavin, United States Navy, to be a commodore in the Navy, for temporary service, while serving as commander, aircraft, Philippine Sea Frontier, and commander, Fleet Air Wing 10, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Capt. Arleigh A. Burke, United States Navy, to be a commodore in the Navy, for temporary

service, while serving as chief of staff and aide to commander, Eighth Fleet, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Commodore Lemuel P. Padgett, Jr., United States Navy, to be a commodore in the Navy, for temporary service, while serving as petroleum attaché, Middle East, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty;

Pay Director Robert F. Batchelder, to be a pay director in the Navy, with the rank of commodore, for temporary service, while serving in the Material Division, Office of the Assistant Secretary of the Navy, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty; and

Capt. John A. Snackenber, United States Navy, to be a commodore in the Navy, for temporary service, while serving as chief of staff to commander, Joint Task Force 1, and to continue during any assignment which is commensurate with the rank of commodore, or until reporting for other permanent duty.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that the Executive treaties may be passed over.

The PRESIDENT pro tempore. Without objection, it is so ordered.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES COAST GUARD

The legislative clerk read the nomination of Admiral Russell R. Waesche to be placed on the retired list of the Coast Guard, with the rank of admiral, effective January 1, 1946.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Lorne G. Taylor to be junior hydrographic and geodetic engineer, with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from October 24, 1946.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. LA FOLLETTE. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. LA FOLLETTE. I ask unanimous consent that the President may immediately be notified of all nominations confirmed this day.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

ADJOURNMENT TO TUESDAY

Mr. LA FOLLETTE. I move that the Senate adjourn until Tuesday next.

The motion was agreed to; and (at 4 o'clock and 32 minutes p. m.) the Senate adjourned until Tuesday, March 5, 1946, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 1 (legislative day of January 18), 1946:

DIPLOMATIC AND FOREIGN SERVICE

Josiah Marvel, Jr., of Delaware, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Denmark.

REGISTER OF LAND OFFICE

Thomas F. Corbally, of Montana, to be register of the land office at Great Falls, Mont. (Reappointment.)

UNITED STATES ATTORNEYS

John H. Manning to be United States attorney for the eastern district of North Carolina, vice Charles F. Rouse, resigned.

David C. Walls, of Kentucky, to be United States attorney for the western district of Kentucky, vice Eli H. Brown 2d, resigned.

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota. (Mr. Lanier is now serving in this office under an appointment which expired February 25, 1946.)

Donald C. Miller, of Ohio, to be United States attorney for the northern district of Ohio. (Mr. Miller is now serving in this office under an appointment which expired January 14, 1946.)

Carl L. Sackett, of Wyoming, to be United States attorney for the district of Wyoming. (Mr. Sackett is now serving in this office under an appointment which expired February 12, 1946.)

CONFIRMATIONS

Executive nominations confirmed by the Senate March 1 (legislative day of January 18), 1946:

UNITED STATES COAST GUARD

Admiral Russell R. Waesche to be placed on the retired list of the Coast Guard, with the rank of admiral, effective January 1, 1946.

COAST AND GEODETIC SURVEY

Lorne G. Taylor to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from October 24, 1946.

POSTMASTERS

ALABAMA

J. Kent Ellard, Ragland.

ARKANSAS

Hays C. McArthur, Lepanto.
Charles A. Hill, Okolona.

CALIFORNIA

Donald R. Ellis, Oxnard.

GEORGIA

Walter T. Britt, Grayson.
Paul G. Laird, Hiram.
Cecil W. Cox, Junction City.
Ovendar L. Webb, Lenox.

HAWAII

Alfred R. Menino, Hilo.

KANSAS

Kenneth L. Kincheloe, Centerville.

NEBRASKA

D. Maye Chandler, Republican City.

VIRGINIA

B. Frank May, Falls Church.
Charles B. Lovelace, South Boston.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 1, 1946

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most gracious Power behind human weakness, enable us to free ourselves from the love of sin and to give ourselves fully to the things which are lovely and of good report. Grant that we may realize that he who is monarch of him-